Daily Report

Latin America

FBIS-LAT-88-035
Tuesday
23 February 1988

Daily Report
Latin America

FBIS-LAT-88-035 *23 February 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

Group of Eight To Meet, View British Maneuvers *[Montevideo]* 1
Ministers Criticize Maneuvers *[Buenos Aires REUTER]* 1
Spanish Delegation Studying C.A. Situation *[Madrid]* 1

CARIBBEAN

Cuba

U. S. Pressures EEC To Join Rights Campaign 3
Castro Views Importance of 'People's' Defense *[EFE]* 3
Foreign Minister on Working Visit to CSSR *[cross-reference]* 3
Tourism Protocol Signed With Zimbabwe 3

Barbados

Need for Efficient State Companies Stressed 4

Grenada

Blaize Calls for Cooperation With U.S. Ships 4
Blaize Rejects Crime Cover-Up Allegations 4
New Jewel Movement To Meet 10-13 Mar in London 5
Briefs 5
Air Charter Company Launched 5

Haiti

Bernard Sansariq Flees Country, Flys to Miami 5

Trinidad and Tobago

Dismissed Minister Determined To Change NAR 5

MEXICO

President Says Economic Pact Prevents 'Anarchy' 7
Thousands Rally Against Pact *[EFE]* 7
PRI Candidate Salinas Views Foreign Affairs *[EL DIA 10 Feb]* 7
Speaks on Rural Policies *[UNOMASUNO 11 Feb]* 8
Appeals for Party Unity 9
Briefs 9
Police Confiscate Heroin 9
Pure Cocaine Seizure 9

CENTRAL AMERICA

Belize

Opposition Rejects Radio Time Offer 10

Costa Rica

Communist Party Leader Mora Resigns *[LA NACION 9 Feb]* 10
Briefs 10
Foreign Financing Decreasing 10
Information Minister Appointed 11

Guatemala

Nicaraguan Debt Cancellation Criticized *[EL GRAFICO 17 Feb]* 11
Visas for Soviets, Cubans Control Planned *[ACAN]* 11

Honduras

Armed Forces Reject Accusations Against Regalado *[LA PRENSA 17 Feb]* 11

Nicaragua

Ortega Views Peace Talks, Amnesty, Contra Aid 12
Obando States Cease-Fire Agreement 'Not Easy' *[ACAN]* 21
Ricardo Wheelock on Talks 22

Panama

Delvalle 'Analyzing' Southern Command Presence *[AFP]* 22
Party Leader Suarez Discusses Visit to Libya *[LA REPUBLICA DOMINICAL 7 Feb]* 23

SOUTH AMERICA

Argentina

Foreign Ministry Requests OAS Meeting 24
Briefs 24
Amphibious Commander Appointed 24
New Agrarian Under Secretary 24
Central Bank Directors 24
GDP Growth in 1987 24
AIDS Statistics 24

Bolivia

Foreign Minister Visits Argentina, Chile 24
Buenos Aires Talks 24
Chilean Position 'Reactionary' *[EFE]* 24
COB Says Talks With Government To Resume 25
Spain Donates $5 Million To Ease Foreign Debt 25

Brazil

Foreign Minister To Visit Colombia, FRG 25
Brasilia To Request Extension on Debt Payments 25
Guimaraes Proposes Truce With Government *[O GLOBO 21 Feb]* 25

Chile

Union Leader Denies CNT Advocates Violence 26
ACHA Statement Denies Advocating Violence 26
Briefs 27
Trade Surplus 27

Colombia

President Barco Comments on October Referendum 27
Rebel Forces Kill Ranking Army Commander 28
14 Killed, 15 Wounded by 'Hooded Men' in Meta 28

Paraguay

PLRA Leader Laino Views Opposition Prospects *[Barcelona LA VANGUARDIA 15 Feb]* 29

Peru

Garcia Speech Commemorates APRA Party Founder 30
Police Kill 4 Alleged Shining Path Members *[EFE]* 34

Venezuela

Government To Pay $3.4 Billion on Public Debt 34

Guyana

Newspapers React to U.S. Human Rights Report 35
GAWU Ends Sugar Workers' Strike on 19 Feb 35

Suriname

Brazil Minister Denies Arms Sales to Brunswijk 36
Purchasing Power Decreases; Inflation Increases 36
SNA Presents Editorial Policy to Media Minister 36

Group of Eight To Meet, View British Maneuvers

PY181736 Montevideo Radio El Espectador Network in Spanish 1500 GMT 18 Feb 88

[Excerpt] While we are waiting for news on the designation of the new IDB president, we will report that Foreign Minister Enrique Iglesias talked to reporters at noon today. We have this report from Government House, the Libertad Building.

Accountant Enrique Iglesias, who in the next few hours will be designated IDB secretary general—an issue he declined to comment on—did not rule out the possibility of resigning his ministerial post after President Sanguinetti's trip to the USSR. Iglesias confirmed that the ambassadors of the countries making up the Group of Eight will meet in Buenos Aires in the wake of the announced British maneuvers on the Malvinas Islands. He said Uruguay has not been asked to mediate or negotiate the suspension of the maneuvers.

Iglesias talked to reporters after a busy agenda of formal meetings hosted by the president and attended, as usual, by the foreign minister here at the Libertad Building.

[Begin recording] [Iglesias, in progress]...of Uruguay, and they are holding a meeting in order to adopt a position in connection with the South Atlantic issue and to release a statement conveying the concern of the eight governments about this situation. The statement [words indistinct] in the next few hours.

[Reporter] The foreign ministers of the Group of Eight will obviously meet, right?

[Iglesias] Yes. We will meet in Cartagena next week, when among other things we will analyze this issue, which will probably be raised by Argentina. [passage omitted] [end recording]

Ministers Criticize Maneuvers

PA230420 Buenos Aires REUTER in Spanish 2159 GMT 22 Feb 88

[Report by Jorge Aguirre]

[Text] Quito, 22 Feb (REUTER)—The Bolivian, Ecuadoran, and Peruvian foreign ministers today joined their Venezuelan and Colombian counterparts in criticizing Great Britain's planned military maneuvers in the South Atlantic near the Malvinas Islands.

The five foreign ministers meeting here all supported Argentina in its claim of sovereignty over the Malvinas, the site of a military confrontation with Great Britain 6 years ago. "The announced military maneuvers affect and disturb the international community, which has asked Argentina and Great Britain to start negotiations," Venezuelan Foreign Minister German Nava Carrillo said on his arrival here yesterday.

Colombian Foreign Minister Julio Londono Paredes also said yesterday: "The announced maneuvers do not contribute in any way to a peaceful solution of the conflict over sovereignty of the Malvinas Islands and could imperil the region's security and peace."

Bolivian Foreign Minister Guillermo Bedregal Gutierrez [words indistinct] the entire meaning of peaceful coexistence and of the struggle to uphold that principle that is being waged throughout Latin America." [quotation marks as received]

Rafael Garcia Velasco, the host of the meeting, said his country traditionally supports Argentina's claim. He said: "We have expressed to the British Government our hope that it will adhere to the UN resolutions that invite the two countries to seek a peaceful solution to the conflict."

For his part, Peruvian Foreign Minister Allan Wagner said his government has publicly expressed to President Raul Alfonsin its "deep concern over the announcement made by the United Kingdom regarding these maneuvers, which imply the transfer of aircraft and troops to the region."

In April, 1982, Argentina assumed control of the Malvinas Islands, which are off its coast and which have been under British control for the past century, but a military expedition sent by London recovered them 2 months later in a bloody military confrontation.

Beginning today, the five foreign ministers will be in Cuenca, 472 km south of Quito, attending a 2-day meeting of the Andean Pact—formed in 1969—to reaffirm joint support for subregional integration and to discuss multilateral problems such as regional democratization, peace in Central America, the foreign debt, and trade protectionism.

Spanish Delegation Studying C.A. Situation

LD171934 Madrid in Spanish to Europe 1230 GMT 17 Feb 88

[Text] [Announcer] The peace process in Central America will be reactivated today with the meeting in San Salvador of the foreign ministers of the five countries of the region. The objective of this meeting is to create the [word indistinct] of verification of the fulfillment of the Esquipulas II agreement and study which [word indistinct] countries could participate in monitoring it. This meeting coincides with the arrival in the Salvadoran capital of the Spanish Government delegation studying Spain's possible participation in these bodies. A report on this from our correspondent in Central America, Juan Luis Diaz Prats:

[Diaz Prats] In Managua, Felipe Gonzalez' envoys concluded the first stage of their visit which is to examine the possibility of Spain's participation in the process of

peace, democracy, and development in the region initiated by the region's presidents in Guatemala last August. The prime minister's adviser, Juan Antonio Yanez, and the director-general of foreign policy for Ibero-America, Yago Pico de Coana, met in Nicaragua with the president of the Republic, Commander Daniel Ortega, several members of his government, the auxiliary bishop of Managua, and representatives of the opposition. The two Spanish envoys will have similar meetings in San Salvador in the next few hours during the second stage of their tour. Yanez and Pico de Coana will have talks with President Duarte and representatives of different political and social groups, among them Archbishop Rivera y Damas. They will also have the opportunity of speaking to all the Central American foreign ministers, albeit at a formal meeting at the end of the meeting which the region's diplomats are holding this Wednesday in the capital of El Salvador, a meeting aimed at the creation of the machinery for the verification of the Esquipulas agreements. Spain's presence in this machinery will depend on the definition of this machinery, according to a statement in Managua by Juan Antonio Yanez. Felipe Gonzalez' adviser said Spain is willing to participate within a regional framework if the request to this effect from the government is unanimous. According to Yanez, Spain would also participate in the machinery created unilaterally by the Nicaraguan Government to monitor a cease-fire and guarantee the internal democratic process if other countries collaborate and if Spain has the approval of the other Central American Governments.

Cuba

U. S. Pressures EEC To Join Rights Campaign

FL221551 Havana Radio Reloj Network in Spanish 1521 GMT 22 Feb 88

[Text] As if their own problems were not enough, the countries of the EEC are under heavy pressure from the United States to join its anti-Cuban campaign at the UN Human Rights Conference underway in Geneva. Great Britain, member of the Common Market and convulsed by an economic crisis that is pulling it apart, was the first nation to react in support of Washington's demands. British Foreign Under Secretary (Timothy Ergar) strongly attacked Cuba during a plenary session, a position that corresponds with attempts to try to corrode and paralyze the conference.

In this anti-Cuban campaign in Geneva, the United States is also continuing its pressure on Spain, just as it did last year, though it failed then to involve the Madrid government in speculations against Cuba.

Castro Views Importance of 'People's' Defense

PA230001 Madrid EFE in Spanish 1128 GMT 20 Feb 88

[Text] Madrid, 20 Feb (EFE)—In an exclusive interview with the Madrid weekly EL INDEPENDIENTE, Cuban leader Fidel Castro said "Cuba and Nicaragua cannot do without a people's armed defense that is sufficient in size, training, and readiness; in other words, committed."

The interview, which was published today, is a result of a meeting between Castro and a group of intellectuals in Havana.

Castro said that "what happened to Allende in Chile" is that "he was defenseless; he didn't have those forces at his side." Therefore, "His Majesty, the coupist army, simply ate him up."

"Cuba's case is very different, as is Nicaragua's. The possible enemy here is not found within, but we need a competent and complete defense, carried out by the Army and the people."

Fidel Castro said some points relating to the Central American peace plan need to be emphasized: "First, Nicaraguan President Daniel Ortega's prudence and skill, and that of his men, because they prevented further aid from being granted to the contras." The Cuban leader added: "But we should not fool ourselves or hope for too much. The anti-Sandinist mercenary bands could still have access to more than enough weapons and resources to continue creating problems for Nicaragua, and Reagan's defeat in Congress reflects the current circumstances; we must put it in perspective." Castro added: "This is by no means a military defeat, but a moral one, and definitely a politically important one."

With regard to Central American heads of state, the leader said "Guatemalan President Cerezo seems to have a much more serious and solid attitude than Costa Rican President Arias, who seems more clever and more of a demagogue." He added, "With very few exceptions, Central American governments have always been servants to Yankee imperialism. Now, at least, two of them are not." Castro also said "Panama's recent answer to the United States would have been unthinkable 20 years ago. Now there is a sense of independence that did not exist before, but there are also other factors that are still unchanged."

With regard to Mexico, where Castro spent some time before overthrowing Batista, he said: "It has a strong tradition of progressive political action. One could say it is a haven for Latin American revolution and democracy from which many good people went to Cuba."

Castro admitted that in the Cuban regime "we have noted mistakes, but one should not think the party is only made up of terrible bureaucrats; these can be found anywhere and can make life difficult for anyone." He added: "In some aspects our revolution began to stagnate; things began to go wrong and we did not notice, but in the end, we identified our mistakes."

Spanish writer Fernando Quinones, who interviewed Castro, mentioned the idea of a "homemade tropical perestroyka," and Castro said that refers to "correcting various mistakes: disregard for the Cuban character, lack of a spirit of criticism among intellectuals since 1980, etc."

Foreign Minister on Working Visit to CSSR

For coverage of the working visit by Foreign Minister Isidoro Malmierca Peoli to the Czechoslovak Socialist Republic, including his visit with CSSR Foreign Minister Bohuslav Chnoupek, see the Czechoslovakia section of the 22 February East Europe DAILY REPORT, and subsequent issues.

Tourism Protocol Signed With Zimbabwe

PA221455 Havana International Service in Spanish 1600 GMT 16 Feb 88

[Text] Cuba and Zimbabwe signed a tourism and natural resources protocol in Havana, which expands cooperation between the two countries.

The protocol includes an exchange program to train professionals in tourism, hotel business, agriculture, and languages. Zimbabwe will provide various species of wild animals for our national zoo, and the two countries will exchange seeds for reforestation.

The protocol was signed by Victoria Chitepo, Zimbabwean natural resources and tourism minister, and Cuban National Tourism Institute President Rafael Sed and is part of a cooperation program that a mixed commission will sign next July.

Barbados

Need for Efficient State Companies Stressed

FL221448 Bridgetown CANA in English 1906 GMT 20 Feb 88

[Text] Bridgetown, Barbados, Feb 20, CANA—Barbados has "no concrete plans" at present for divesting any loss-making state enterprises, but Prime Minister Erskine Sandiford on Friday night urged discussion on ways to boost their efficiency.

"In Barbados, the state-owned enterprises generally speaking have not been a net source of savings, but...a user of savings," Sandiford told the Academy of Politics, educational wing of the ruling Democratic Labour Party (DLP). The DLP reversed a policy of selling off two state-owned hotels last year.

Sandiford, who is minister of finance, dealt with state enterprises collectively, and declined to give details on individual performances. He cited a BDS20.6 million dollar gross deficit chalked up by 12 state enterprises last year, noting current year projections pointed to an increase of 30.2 million dollars, in spite of a rise in revenue. "We cannot continue in this vein," he said.

Noting divestment was "an option under consideration at all times", Sandiford however indicated that the government before embarking on such a policy, would first attempt to achieve viability. "...If part of a service can be better provided by private enterprise, then if the discussion points that out, we may have to go that way," he said. "If on the other hand there are efficiencies within the operation that can be implemented in order to cut down costs as well as improve the service..., then that may have to be taken or if it is determined that it is a social cost which has to be considered outside of the commercial viability concept, then the people of this country will just have to shoulder it if they wish the particular service."

Sandiford referred to the heavily-subsidized transport board bus company which he said at present bears the "social cost" of free travel for senior citizens and policemen, and subsidized travel for students.

To remove this expense, government plans from the next fiscal year to make sponsoring ministries, like community development in the case of the senior citizens, pay a contribution to the bus company. "In that way, we could put a better handle on the operations of the transport board," he said.

Sandiford said there were over 50 statutory bodies operating in Barbados, including 14 state enterprises. Their activities include radio and television broadcasting, airline services, cement manufacturing, hotel operations, oil exploration and production, insurance and banking.

Grenada

Blaize Calls for Cooperation With U.S. Ships

FL202020 Bridgetown CANA in English 1834 GMT 20 Feb 88

[Text] St George's, Grenada, Feb 20, CANA—Prime Minister Herbert Blaize says three American hydrofoil ships are in Grenadian waters to help the island deal with the illegal drug trade.

Blaize's remarks in a radio broadcast followed widespread speculation that the 90-day visit of the ships had been timed to coincide with the hearing of the appeal by 17 leftist officials sentenced to hang for the 1983 murder of Prime Minister Maurice Bishop. Bishop's death led to an invasion of U.S. troops.

He said the ships would be working with "our coast guard to clear our shores of those vessels that ply the Caribbean bringing death to Grenada.

"I call upon all responsible Grenadians to cooperate in this exercise," Blaize said. We cannot allow this drug trade to continue because it would spell disaster to our people and this country."

Blaize said that while marijuana is grown locally, harder drugs are imported allowing the traffickers to get richer on the "mysteries, minds and bodies of our citizens."

This growing menace is seriously affecting our youth and as a responsible government it is our duty to do something about it", Blaize said. [quote marks as received]

An earlier government statement said the hydrofoils would also practice overseas deployment away from their homeport, as well as carry out a number of civic duties in Grenada. About 140 American military personnel will be involved in the exercises in Grenada.

Blaize Rejects Crime Cover-Up Allegations

FL221455 Bridgetown CANA in English 2029 GMT 20 Feb 88

[Text] St George's, Grenada, Feb 20, CANA—Prime Minister Herbert Blaize has rejected any suggestion of a government cover-up in relation to a series of violent crimes to have hit Grenada.

His clear-the-air statement came against the backdrop of a pamphlet, in circulation here, alleging government interference in attempts by the police to arrest a top lawyer in connection with the murder of an 18-year old girl a year ago.

A group of so-called "concerned policemen" who claimed responsibility for the pamphlet, said that the lawmen were going to make an arrest in May 1987 in connection with the crime but got no cooperation from government.

Before resigning the post of police commissioner last April, Russell Toppin told reporters that the lawmen were expected to make an arrest shortly in the case he said was linked to the illegal drug trade on the island. But Blaize said in his weekly radio broadcast Friday night that he wanted it to be clearly understood by everyone that no administration which he heads would ever interfere with the police in the exercise of their duties... "The police know fully well that I as minister responsible for national security, have never requested, instructed or directed them not to prosecute anyone breaking the law," he said. "Let the record show that the police themselves have admitted that they have never had it better as far as non-interference in their duty is concerned," he added.

The prime minister stressed his position [words indistinct] and would continue to be that "no one is above the law and let the chips fall as they may." Blaize appealed to Grenadians to support the police and give them every chance possible to strengthen their confidence so that they would be able to carry out their duties effectively.

New Jewel Movement To Meet 10-13 Mar in London
FL221432 Bridgetown CANA in English 2012 GMT 21 Feb 88

[Excerpt] St George's, Grenada, Feb 21, CANA—Members of Grenada's leftist New Jewel Movement (NJM) are planning to hold a conference in London next month—the first major one since the party lost power in a 1983 U.S.-led invasion of the island, a newspaper said.

The March 10-13 conference will mark the 9th anniversary of the coup that brought the NJM to power, the independent "GRENADIAN VOICE" newspaper said. According to the paper, the theme of the conference will be "Grenada: Towards Anti-Imperialist Unity".

It is expected to be addressed by several noted leftists, including Dr Trevor Munroe, leader of the communist Workers Party of Jamaica.

Others speakers mentioned include Richard Hart, former Grenada attorney-general under the NJM-led People's Revolutionary Government (PRG), Ramsey Clarke, a former U.S. attorney-general, and Christopher de Riggs, a former health minister with the PRG. [passage omitted]

Briefs

Air Charter Company Launched

A new air charter business has been launched here by a mixture of European, Grenadian, and American entrepreneurs, the official Radio Grenada announced Thursday night. The radio said that Spice Air, offering passenger charter, air ambulance, and sight-seeing services, is located at Point Salines Airport in the south of the country, and operates a single nine-seater aircraft. Spice Air is also offering shopping flights to nearby Caribbean islands and to Venezuela, just south of Grenada. Radio Grenada said that the company—operated by a European couple, two Grenadian brothers and an American—plans to begin flight training by the end of the year. Spice Air joins the list of small, privately-owned air charter services operating from many airports throughout the Eastern Caribbean chain. [Text] *[Bridgetown CANA in English 1609 GMT 19 Feb 88 FL]*

Haiti

Bernard Sansariq Flees Country, Flys to Miami
FL221150 Bonaire Trans World Radio in English 1130 GMT 22 Feb 88

[Text] A former presidential candidate in Haiti has fled the country. Radio Haiti said he flew to Miami on Saturday. Bernard Sansariq, who was accused of leading an armed uprising against the military government that ruled Haiti until earlier this year, had been in sanctuary in the Argentine Embassy in Haiti for 6 months.

Trinidad and Tobago

Dismissed Minister Determined To Change NAR
FL221444 Bridgetown CANA in English 1713 GMT 21 Feb 88

[Text] Port-of-Spain, Trinidad, Feb 21, CANA—Dismissed Trinidad and Tobago foreign minister, Basdeo Panday said on Saturday night he was determined to change the ruling National Alliance for Reconstruction (NAR) from within and to set party groups to achieve neglected objectives of the NAR manifesto.

Panday, the NAR deputy leader who was dropped from the cabinet two weeks ago, also denied being involved in any plot to oust Prime Minister A.N.R. Robinson and cited lack of consultation as the problem tearing apart the 14-month old NAR administration.

We shall be the government within the government, Panday told 1,000 supporters of his and neighbouring constituencies at the Rienzi complex in central Trinidad, the home of his sugar union. Panday said he planned to mobilise 15 constituencies additional to his own Couva North area to demand changes at the party's next annual convention. Speaking later to reporters, he declined to name the constituencies but said a series of meetings

would be held to inject life into the party structure and register delegates for the conference. This party is it, Panday said, using a line from a popular calypso.

Panday said the reorganisation would include political restructuring through the party convention and economic development, getting party groups to move into education and job creation programmes anticipated in the NAR general election manifesto.

Rejecting charges that he was among NAR ministers who plotted to oust Robinson, Panday said his first political death warrant was his criticisms against certain moves to hand over this country to Neal and Massy, a conglomerate, and his attacks later on business. Panday said the second was his commitment to economic change on a party level over the next four years.

They don't want people to be employed...always they want them to hang on a string and once we start to move to make the people independent...there are centain people in the country who will not like that, Panday said. He also noted press criticisms and advised his supporters not to buy the country's two dailies after reading political articles. You have enormous power, only you don't know how to use it, Panday said.

360,000 people voted for the NAR. Of that 360,000 persons...three-quarters are in the constituencies which I include among the 16 that I talk of...You are half the population and no newspaper can survive, no newspaper can survive if half the population says it cannot survive, Panday told a cheering crowd. If a newspaper seems to want to stop your struggle for a better life, that is your enemy. It cannot survive if you say it cannot survive.

Panday cited the non co-operation advocated by Ghandi in India. No government can survive without your co-operation, Panday said.

Panday, opposition leader for ten years before his Indian-based United Labour Front (ULF) merged with three other parties to form the NAR, gave some details of his time in the Cabinet where he was deputised when Robinson was out of the country. Panday said the writing was on the wall when the first Cabinet appointments were made after the December 1986 elections with no consultation.

He said his dismissal was also on the cards when the NAR, which had been formed with the largest block of guaranteed seats coming from the ULF, scored a 33-3 seat victory in the polls. After that, he had found tourism moved to the portfolio of Industry Minister Senator Ken Gordon, whom he dubbed Superman. When a Caribbean Basin Initiative (CBI) conference was held on international trade-Panday's portfolio-had been attended by Gordon.

Panday denied having plotted to oust Robinson at a January 31 meeting at the Rienzi complex believed to have triggered the sackings. He also dismissed criticisms against his campaign for an Indian cultural centre, stating that the Indian Government never applied for land and had simply offered under a cultural agreement to site a centre here. That was not an issue. It was an issue for those who wanted to drive the struggle racially, Panday said.

I could have remained a minister. That would have been the easiest thing in the world...all I would have had to do would have been to keep my mouth shut...but for me, it was a difficult problem because that was not the reason you put me there, Panday said. This was the first explanation Panday has given as to why he virtually talked his way out of the Cabinet by continuing to criticise the government even after Robinson's first November 1987 reshuffle and statements that he would not tolerate such outbursts.

The Saturday night meeting was also attended by former Junior Finance Minister Trevor Sudama and ex-public utilities minister, Kelvin Ramnath, also dismissed with Panday. Also addressing the meeting was former Works Minister John Humphrey, axed from the Cabinet in the first reshuffle.

Speaking afterwards to reporters, Panday insisted he wanted to change things internally unless expelled: But whether I stay in the party or not will not be of my doing but it depends upon the party itself. I have no intentions obviously of leaving the party but trying to make the party survive, Panday said.

President Says Economic Pact Prevents 'Anarchy'
PA222216 Mexico City XEW Television Network in Spanish 1300 GMT 18 Feb 88

[Excerpt] In thanking workers, peasants, and businessmen in Mexico State for their support, President de la Madrid said the economic solidarity pact has prevented a worsening crisis from turning into anarchy and a serious threat to social peace: [Begin recording] To be honest, the pact will not make inflation suddenly disappear. Prices will not stop increasing. [end recording]

De la Madrid said the main goal is to reduce price increases month by month in a realistic, wise, and sensible manner. He said everyone involved is basically fulfilling the agreements made in the pact. [passage omitted]

Thousands Rally Against Pact
PA230137 Madrid EFE in Spanish 0904 GMT 18 Feb 88

[Text] Mexico City, 18 Feb (EFE)—Three people were injured, although not seriously, in a mass rally held here today to repudiate the "Economic Solidarity Pact," and to demand better wages, among other things.

According to the police, between 15,000 and 18,000 people attended the rally. The organizers said there were about 700,000 people, while newsmen estimated the number at between 350,000 and 500,000.

Presidential candidates Cuauhtemoc Cardenas and Rosario de Piedra, nominated by the National Democratic Front and the Revolutionary Workers Party, respectively, were present at the rally.

The "National Front for Resisting the Pact," [Frente Nacional de Resistencia al Pacto] which is comprised of some 350,000 [as received] leftist and rightist political organizations, sponsored this first demonstration.

The "Economic Solidarity Pact," which went into effect in mid-December 1987, is an economic stabilization program that seeks to reduce inflation by freezing wages, controlling prices, reducing the public deficit, and expanding trade.

Yesterday, Mexican President Miguel de la Madrid said that with this pact the country has avoided "a worsening of the crisis that would have led to an anarchic situation and posed a serious threat to the country's social peace." He added that all sectors (workers, government, and businessmen) are fulfilling their commitments as much as possible with responsibility and a "sense of protecting their basic values, because they know an uncontrolled economic situation could affect their social peace, freedom, and democracy."

During the rally, a spokesman for the National Front for Resisting the Pact announced that similar rallies would be held in 24 of the country's 31 states.

PRI Candidate Salinas Views Foreign Affairs
PA230105 Mexico City EL DIA in Spanish 10 Feb 88 pp 8, 9

["Text" of speech by PRI presidential candidate Carlos Salinas de Gortari at the inauguration of the National Commission on Foreign Affairs in Cuatro Cienegas, Coahuila State, on 9 February]

[Excerpt] [Passage omitted] Our relations with the United States will continue to be of great importance in our foreign policy, both because of geographical and historical reasons and because of the broadness of the contacts between the two nations.

Antonio Carrillo Flores noted the importance and complexity of the relationship with our northern neighbor before this same commission 6 years ago. In areas where imbalance is greater, there is also a greater need to ensure mutual respect and dignified treatment between our peoples and governments.

Beyond our trade, financial, and tourist exchanges, there is an immense network of contacts of every sort. There is a movement across the border of persons, ideas, and services that sometimes seems to acquire its own force outside our respective institutions. We derive mutual benefits as well as common problems from these contacts.

The immigration of Mexican workers to the United States is a stark reality. It is a product of the imbalance of our economies. This immigration is important to the U.S. economy, especially in the south. Immigration also offers an escape, unfortunately, from the limited opportunities offered by our economic system.

We must not forget that the workers are at the core of the immigration problem, and our relations must respond to the workers. Victims of exploitation by fellow countrymen who for a price will get them across the border, they face a bleak future in the United States, where their rights are not only limited but often violated. Victims of this dual exploitation, they demand attention in government negotiations for their rights as human beings. Their dignity and stature as workers demands it.

Drug trafficking corrupts everything it touches because of the vast economic resources it moves and its potential for social disruption. This corruption recognizes neither borders nor levels of development in the countries affected. The fact that it exists is an attack not only on health and coexistence, but also on our two nations' security. Much has been done in our country to launch a radical fight against the origin of the problem, its various forms, and its aftermath. I pledge to intensely pursue this struggle, because I consider it a matter of national

security. The fight against drug trafficking must lead to the most effective cooperation between Mexico and the United States, but it must never be used to obtain political opportunities or to seek circumstantial advantages with public opinion.

Our economic relations with the United States are conditioned by the general evolution of the debt problem, but in commercial areas there is room to seek a better bilateral understanding. This understanding would provide clearer rules and channels for bilateral trade and would allow less restrictive and better conditions for the growth of our non-oil exports.

A broadening of Mexico's economy must be consistent with a broader access of our products to the U.S. market.

The differences in our commercial and financial relations are especially notable at our common border. We must have the will to cooperate and to communicate in that respect.

President Miguel de la Madrid will meet with President Ronald Reagan in Mazatlan in a few days. That meeting is part of a series of personal contacts between the two presidents throughout the past few years.

As in the past, the Mexican president will attend the meeting with the dignity and patriotism that has always characterized him, with his clean and patriotic foreign policy, and with the total support of his people and our party.

In the last few years, unfavorable external events and the new democratic awakening created an appropriate atmosphere for Latin American and Caribbean unity. Mexico has been strengthening its traditional ties with most of the region's countries.

Important steps have been taken to expand the opportunities to search for common solutions.

We have responded to the challenges of our times and opened a new era for Latin American peace, security, and development. We will maintain this position primarily through political agreements and with the support of our cultural activities.

We will try to use regional cooperation to foster economic unity and to form a true Latin American community.

I reiterate Mexico's concern that solutions be found to regional conflicts, especially the Central American conflict. Today, Latin American countries have a firm, political will, and there is a more suitable international climate to gradually overcome open conflicts through political means and to slowly form a new democratic consolidation and economic reorganization.

Through the most effective mechanisms and with the strictest respect for the sovereignty of all Central American nations, Mexico will support all the initiatives and actions that can contribute to consolidating this international climate. We will do so by adhering to our principles but also by looking out for national interests. Mexico cannot remain indifferent to developments in Central America, because a conflagration or instability in that region would affect the security of southern Mexico.

With Guatemala, particularly, we will seek better means of cooperation, taking advantage of the prevailing favorable political climate, which is unparalleled in recent times.

The Pacific Basin countries have gradually become more aware of the opportunities for economic cooperation offered by their vast underwater resources. We must explore these opportunities in depth to take advantage of their actual and potential benefits. We must particularly seek much more ambitious technological, commercial, and financial exchange and cooperation programs with Japan, with which we have exceptional opportunities to jointly develop our economies.

We will also seek new means of cooperation and dialogue with the PRC.

We are linked with Canada by a vast political understanding that is nurtured by a great coincidence in international positions.

As has been said here, based on the principle of seeking greater friendship and better relations, we will promote a strengthening of our economic and technological ties with all nations on a strictly bilateral basis. [passage omitted]

Speaks on Rural Policies

PA222325 Mexico City UNOMASUNO in Spanish 11 Feb 88 p 4

[Report by Victor Manuel Juarez]

[Excerpts] San Pedro de las Colonias, Coahuila, 10 Feb—The PRI candidate has been greeted with boos, hissing, and a persistent chant of "Cardenas, Cardenas, Cardenas" in this part of Mexico where Francisco I. Madero wrote "The 1910 Presidential Succession" and Lazaro Cardenas del Rio began land distribution.

Despite the tension, Carlos Salinas de Gortari put his security detail into a difficult position by walking through the crowd. Under the pavilion, before thousands of people, mostly supporters of the National Democratic Front candidate with a few PRI sympathizers, he said: "That is enough, we must put an end to the corruption of those responsible for rural credit." The hissing died down in this cotton-producing region and Salinas de Gortari expressed support for the Mexican peasants'

demand for timely and secure credits for agriculture and cattle-raising so they can adequately cover crop damage. He admitted that people in the country and residents of populous neighborhoods no longer want promises and words but actions to solve their problems.

The screaming was deafening when Salinas de Gortari indirectly referred to the son of General Lazaro Cardenas by pointing out: "People here do not want tourists who only come for awhile and then leave. They want individuals who will commit themselves to you." [passage omitted]

The PRI rally ended with booing and hissing by Cuauhtemoc Cardenas sympathizers. Some youths hurled rocks at the delegation as it walked by.

Appeals for Party Unity

FL221958 Mexico City NOTIMEX in Spanish 2326 GMT 20 Feb 88

[Text] Puebla, Mexico, 20 Feb (NOTIMEX)—PRI presidential candidate Carlos Salinas de Gortari said he believes in tolerance, respect for criticism, plurality, and, consequently, the party system, which is essential. But my purpose, he said, is to keep the PRI as the majority party by democratic means.

Speaking at the rally of adherence and support held this afternoon in the Analco neighborhood of this city, Salinas de Gortari ratified his statements in Nexaca yesterday that he firmly supports his party's staunch allies. However, he warned the old alliances that formerly supported the PRI that they will have to face up to the consequences of their actions. That's politics, he declared.

Salinas de Gortari told more than 60,000 residents of Puebla that minority forces evidently want to take advantage of the electoral fray. But, he said, they do not mean to convince or offer political solutions to national problems. He added that the fact must be faced that along with the legal and harmonious activities of the political parties, alliances have emerged which, under shelter of the law and freedoms, are promoting extra-electoral ends. As a result, these alliances, which are not only threatening the party but also the constitutional system, will meet with society's rejection. We'll do it at the polls, he said.

He asked local residents to put a halt to the problems we are experiencing. A democratic battle must be waged against the opposition; the efforts of party members to promote the party must be firmly supported. Above all, we must make Mexico again the winner. He pledged to work for the welfare of the Mexican people, noting that he intends to return to Puebla and make good on his words. With our unity, we will be able to overcome the problems that might crop up, thanks to the dynamism and determination of the Mexican people.

He promised to follow structural policies that will enable us to make progress in the achievement of our purposes, to democratically strengthen the Mexican state, to keep Mexico open to the great world revolution, and to step up the huge decentralization process now underway.

But, he stated, I will make the political changes required to strengthen democracy, and, above all, I will work within the law to effect the changes required to reverse the unfair concentration of wealth in the nation today. I will, at the same time, improve the welfare of the Mexican people.

Briefs

Police Confiscate Heroin

Federal Judicial Police (PJF) in Sonora yesterday confiscated 5,040 grams of heroin worth more than 25 billion pesos which was going to be sent to the United States. During this operation the PJF arrested Mexican citizen Luis Eduardo Joya Amezquita who was planning to transport the drug to Mexicali, Baja California and then to the United States. Joya Amezquita said he bought the drug in Las Juntas, Puerto Vallarta in Jalisco. PJF supervisor Ortega Padilla said the PJF suspects the poppy is planted, harvested and processed in Las Juntas, and announced it will continue investigating this case. [Summary] *[Mexico City EXCELSIOR in Spanish 12 Feb 88 p 47a PA]*

Pure Cocaine Seizure

Members of the Federal Highway Police yesterday found a Cessna GN-367, registration XB-HEX, abandoned at km 6 of the Rio Lagartos-Carrillo Puerto highway in Yucatan. The authorities searched the aircraft and discovered 268 kg of pure cocaine hidden in a rear compartment. The report adds that no one was arrested. The aircraft was seized and the drug—with a market value of almost $27 million—has been sent to the Public Ministry installations in Merida for safekeeping. [Summary] *[Mexico City UNOMASUNO in Spanish 13 Feb 88 p 12 PA]*

Belize

Opposition Rejects Radio Time Offer

FL201642 Bridgetown CANA in English 1604 GMT 20 Feb 88

[Text] Belmopan, Belize, Feb 20, CANA—The opposition People's United Party (PUP) has turned down a government offer of radio time during the present campaign for March 16 local government elections here.

PUP Chairman Said Musa called the government's invitation "an exercise in hypocrisy", in a letter of reply to chief broadcasting officer, Rene Villenueva who made the offer.

He said the offer gave an "unfair advantage" to the ruling United Democratic Party, and noted the government-appointed Belize Broadcasting authority held an "unrestricted right" to edit broadcasts.

"The executive of the People's United Party regards this proposal as an exercise in hypocrisy coming from an administration which had championed a free radio in its 1984 election manifesto but has instead restricted and controlled freedom of expression in Belize," Musa said.

Musa, who served as a minister in the former PUP government which was defeated in the 1984 poll, said the radio station was government-controlled under their administration. Today, it is a "party controlled radio station", he charged.

Musa said instead the PUP would be using television as a medium to get its message to the electorate.

The Belize Broadcasting Authority has also laid down stringent conditions for the use of local television for campaign purposes.

Musa said while the PUP had no problems with the requirement that all radio programmes should be factual and free from defamatory matter, "we reject your condition reserving to the Broadcasting Authority the unlimited right to edit our submitted material.

"The views of the opposition on matters of national importance, equal time and the right of reply must be respected at all times. This is one of the important ways in which we can deepen the democratic process in Belize," he added.

Costa Rica

Communist Party Leader Mora Resigns

PA191533 San Jose LA NACION in Spanish 9 Feb 88 p 6A

[Article by Ivonne Jimenez]

[Text] Manuel Mora, who has been secretary general of the Costa Rican Communist Party since its founding, and secretary general of the Costa Rican People's Party [PPC] when the former party split up, has resigned from his post.

Confirming his resignation to LA NACION, he said he is quitting because he feels his post should be assumed by someone who can accomplish more, because he has been affected by "two serious operations and a recent heart attack."

The PPC Central Committee accepted the resignation of the veteran political leader for health reasons and will make an official announcement this week in that regard, Mario Aguilar, member of the committee stated.

Mora Valverde is quitting at the age of 78 after 56 years of political membership in that sector.

Mora Valverde explained that at a time when there are serious problems—such as the domestic economy and the Central American situation at the international level—the party should have more energy and more participation in the country's political life. "Therefore, I would rather step aside, because I cannot do all of this," he stated. Mora, who founded the party, which underwent a great split in 1984, and later belonged to the People's Vanguard Party and the PPC, said his departure does not reflect a change of position within the party. He said the party's established internal policy rejects the armed struggle in this democracy and that will not change.

He stated that the party must promote negotiations between the Caribbean nations and the United States, so the security demanded by the United States and the sovereignty of the Caribbean countries will be guaranteed.

This is necessary, because a war in this region would be conducive to a world war, he warned.

Mora did not predict who would succeed him or who he would like to replace him, so as "not to give any wrong interpretations;" however, he noted that although he is quitting the secretariat, he would like to retain some influence in the group.

Briefs

Foreign Financing Decreasing

Finance Minister Fernando Naranjo Villalobos has stated that foreign financing has decreased by over 150 percent [as heard]. He explained that in 1987, foreign financing totalled 3.09 billion colons while in 1988 it is only 71 million colons [figures as heard]. Minister Naranjo Villalobos also announced that in recent months Costa Rica has stopped paying its foreign debt. He explained that the central government is making payments to multilateral organizations, and a meeting with the Paris Club is scheduled for May. [Summary] *[San Jose Radio Reloj in Spanish 1200 GMT 11 Feb 88 PA]*

Information Minister Appointed

Costa Rican President Oscar Arias Sanchez has appointed Guido Fernandez as information minister [title as heard]. Fernandez has been serving as Costa Rica's ambassador to the United States until now. [Summary] *[San Jose Radio Reloj in Spanish 0100 GMT 16 Feb 88 PA]*

Guatemala

Nicaraguan Debt Cancellation Criticized

PA222235 Guatemala City EL GRAFICO in Spanish 17 Feb 88 p 2

[Text] Guatemala City, 17 Feb—Juan Luis Miron and Julio Ligorria, president and vice president of the Free Enterprise Chamber [Camara de la Libre Empresa], have said the Guatemalan Government's decision to cancel part of the Nicaraguan Government's debt means the government has "abandoned neutrality and taken the side of the Marxist Managua regime."

The Guatemalan business leaders said this during a meeting with their Nicaraguan counterparts at the Chamber of Industry yesterday.

They said the Cerezo administration's foreign policy is one of active neutrality, but at the same time it acts like a passive debt collector. They noted that for more than 1 year, the Free Enterprise Chamber has been proposing that the government reach an agreement with the Ortega administration on its more than $200 million debt with Guatemala.

They said that despite the repeated requests, the government has not accepted the Guatemalan private sector's proposal.

They added that "by canceling the debt, we are giving away several million dollars as a subsidy to the Marxist government."

They said the issue is very serious, because it will have "a boomerang effect."

Douglas Reyes, president of the Association of Nicaraguan-Guatemalan Businessmen and Professionals, said canceling the interest on the Nicaraguan Government's debt does not benefit the businessmen because "we paid the debt a long time ago...the only one who benefits is the Sandinist government."

Visas for Soviets, Cubans Control Planned

PA221940 Panama City ACAN in Spanish 1840 GMT 16 Feb 88

[Text] Guatemala City, 16 Feb (ACAN-EFE)—An official source reported today that the Guatemalan Government will not stop issuing visas to Cuban and Soviet citizens, but "it will control them in the future."

Government Minister Juan Jose Rodil Peralta said in addition to the controls on Cuban and Soviet citizens, the government will also establish controls on those citizens returning from other socialist countries.

Rodil Peralta said he will meet this week with Immigration Director Milton Cerezo to discuss this subject.

Rodil Peralta will also meet with Defense Minister General Hector Alejandro Gramajo and Foreign Minister Alfonso Cabrera to establish the policy regarding citizens who may not visit Guatemala.

Cabrera, who is also the secretary general of the ruling Christian Democratic Party, recently "regretted" the fact that Cuban and Soviet citizens have been granted 6-month permits to stay in Guatemala.

Rodil Peralta specifically referred to the operation of the international news agencies PRENSA LATINA from Cuba and TASS from the USSR, and the permanence of their correspondents in Guatemala.

Honduras

Armed Forces Reject Accusations Against Regalado

PA222145 San Pedro Sula LA PRENSA in Spanish 17 Feb 88 p 5

[Communique issued by the Public Relations Directorate of the Honduran Armed Forces in Tegucigalpa on 16 Feb 88]

[Text] 1. The Honduran Armed Forces Superior Council has met in a special session to review the campaign by U.S. communications media to discredit the Armed Forces and the nation in general by mentioning alleged information received from unidentified "State Department officials who are familiar with the case."

2. In the meeting, the Honduran Armed Forces Superior Council learned of all the information that was available on the case and decided the following:

a. To flatly reject all unfounded charges made by some U.S. news media to discredit the military, because these treacherous attacks respond to interests contrary to our national sovereignty and adversely affect our country's dignity.

b. To express our complete commitment to the Constitution regarding our strict subordination to civilian power and to categorically reject the concept that we may intervene in the country's foreign policy.

c. To recommend that the constitutional president of the Republic demand from the U.S. judicial system, the news media, and the persons who have made serious charges against the Armed Forces to show proof of these accusations, otherwise they should assume responsibility for the damages these acts have inflicted on our country's dignity.

d. To emphatically deny the participation in any way of active duty officers in criminal acts like the ones outlined by the aforementioned publications.

e. To propose through diplomatic channels that the U.S. Government cooperate in making the organizations involved in these accusations provide the proof the publications say they have.

f. To give a vote of confidence to our commander in chief as an expression of trust in his moral integrity and to give him support in view of the serious criminal accusations brought against him.

Tegucigalpa, 16 February 1988

Public Relations Directorate of the Honduran Armed Forces

Nicaragua

Ortega Views Peace Talks, Amnesty, Contra Aid

PA211910 Managua Domestic Service in Spanish 1636 GMT 21 Feb 88

[Speech by President Daniel Ortega Saavedra at the inauguration of the fourth National Assembly in the 22 January Martyrs' Hall of the National Assembly in Managua—live]

[Text] Comrade Carlos Nunez Tellez, president of the National Assembly; Dr Enrique Tarigo, Uruguayan vice president and president of the Uruguayan General Assembly; dear representatives:

This fourth legislative assembly begins amid a situation that is known by everyone. Its overall outlook does not show substantial changes. There is something we must talk about that we would prefer not to discuss. I do not believe there is one human being on earth who welcomes war, but, for one reason or another, it has been impossible to abolish war from our society or from mankind. It sometimes seems that we look to annihilate mankind. The war threatens Nicaragua, Central America, and even mankind's survival. We must think as inhabitants of the earth, instead of focusing our attention on this portion of earth known as Nicaragua.

Within this frame of mind, we must recognize the extraordinary efforts and the basis established at the international level that enable us to seek a regime of security which guarantees mankind's survival. There is one event, which took place in 1987, certainly worth mentioning: the signing of the agreement between the Soviet Union and the United States. The agreement opens a road full of hopes for the people of the earth, because it proves that agreement is possible between nations that maintain opposing political and ideological positions. The agreement shows that understanding is attainable at those levels, and that this understanding makes it much easier to reach understanding at other levels, particularly in places or regions withstanding conflicts like the one in Nicaragua.

Reporting about our reality means reporting about the war and aggression, which have resulted in 13,206 victims in 1987, including 6,200 deaths; and more than $376 million in losses, $270 million in exports. In other words, we exported $127 [figure as heard] less than the losses sustained. The total number of victims since 1981, when the acts of aggression increased, has risen to 50,382, including 25,500 dead; and $3.6 billion in direct or indirect losses.

This has seriously harmed our economy. I will not repeat here the figures you already know concerning the damage to our efforts to bring social development to all Nicaraguans, to our infrastructure, and to the lives of Nicaraguans threatened daily by this terrorist policy of the U.S. Government.

We applied economic measures in 1987 to try to correct some trends and to better contend with inflation. The effects of this war and of the unjust international economic order prevented these economic measures from attaining the expected results, and inflation continued to increase. The economy could not be reactivated in the best possible manner.

Workers attempted to produce more under extremely difficult conditions. These conditions included: problems in the supply of energy; problems in the supply of raw materials; a lack of parts for machinery and equipment; problems in transporting coffee, cotton, sugar cane, and basic grains; and having to produce under conditions of a war that we Nicaraguans have not sought but that has been imposed by U.S. leaders.

For years, U.S. leaders have been interested in destroying the Nicaraguan revolution by killing Nicaraguan workers and by attacking the economy. However, the resistance of the Nicaraguan people has been greater than the destructive desire of the U.S. leaders.

Our yearly efforts to apply the economic measures during a war like the one Nicaragua is experiencing demonstrate the great determination and resistance of the Nicaraguan people. It would be very difficult for any country or government—in Latin America, the Caribbean, or anywhere else in the world—that does not have popular support to withstand acts of aggression like those Nicaragua has suffered.

The people have successfully kept the country's economy working and operating. The people have succeeded in being able to continue discussing wage policies, price policies, and profit costs. This is even though our attacker's objective over the years has been to make the Nicaraguan economy collapse so we would lack the material conditions that would enable us to talk about

prices, adjustments, and fighting inflation. They would rather hear us speak about how to distribute the few existing products in a war economy.

We have sometimes thought of implementing a war economy as the situation has grown critical. However, the ability of Nicaraguan workers to organize and act has allowed us to have another economic [word indistinct]. We call it a survival economy. Because of it, we are maintaining our ability to continue producing materials despite major limitations and major weaknesses.

The enemy is struggling to destroy that productive capacity or to cause the collapse of that capability. Then, we would not be speaking of a price or wage policy. As is well known, those economic aspects disappear in a war economy. Under those conditions, our growth rate reached 1.7 percent in 1987, while material production grew 3 percent. All of this was done at the cost of the sacrifice of our fighters who defend the revolution. All this was done at the cost of the workers. Other factors that distorted our economy also came into play. Those factors include the speculative market and other economic elements that we had not yet handled in another manner. These elements led to an accumulated inflation rate of 1,347 percent. These factors compounded the financial and exchange imbalances.

The growth in material production was very important in the fisheries and mining sectors. In the fisheries sector, exports of shrimp and lobster grew 10 percent in volume and 30 percent in value. [currency not specified] Mining production grew 4.9 percent. Exports in 1986 totaled 226 million. [currency not specified] This year [as heard], exports rose slightly to total 270 million. [currency not specified] In contrast, the economy sustained losses of 370 million as a result of to the aggression.

In 1987, $533.4 million was received in foreign cooperation, and we received up to $385.9 million in (?new) foreign cooperation pledges. We managed to gradually reduce fiscal public expenditures. The fiscal deficit was brought down from 23 percent of GNP in 1985 to 14 percent in 1987. This was a truly extraordinary effort, one that also affected defense; that is, it affected all sectors of our nation. Under these dramatic conditions, the government's consumption was reduced. Private consumption has also been reduced. This constituted 46 percent of GNP in 1987, while in 1980 it constituted 84 percent of GNP.

I believe this figure clearly reveals the extent of Nicaragua's economic crisis. Despite these conditions, and although we guaranteed the resources for national defense, we earmarked 9 percent of GNP to the health and education sectors.

During the period the Assembly was in recess, we promulgated 14 laws. These laws are:

the law creating the Nicaraguan Women's Institute,

the law approving the Republic's income and expenditures budget,

the law abolishing the People's Anti-Somozists Tribunals,

the law lifting the state of emergency,

the law empowering the Supreme Court of Justice to establish courts,

the amendments to the law that now creates appeal courts,

the fund for research and technological development,

the monetary law,

the monetary conversion law,

the law regulating the inflow and outflow of the national currency,

the law exempting debts,

the law establishing the currency to be used to collect exports of the nation's goods and services,

the law empowering the Nicaraguan Central Bank to verify under unusual circumstances special savings certificates,

and the special norms concerning foreign currency.

We promulgated the Constitution of the Republic in 1987 and did so to strengthen Nicaraguan democracy. It was a very important event. This promulgation was historic, for it made the historic demands of the Nicaraguan people come true. The promulgation of the Constitution, like our independence and the events of 19 July 1979, is a most relevant event. This is because we fulfilled all the demands for freedom, justice, and democracy the Nicaraguan people have been making since 1821, when the Central American nations and peoples became independent from Spain.

While Nicaraguan peasants and workers were the real producers of wealth from 1821 to 1979, they were not the real owners of that wealth. That wealth ended up in the hands of an oligarchic, exploitative minority. The Nicaraguan people produced, but they were not entitled to speak; they had no freedom of expression. Those who produced the wealth with which newspapers were printed and with which radio and television stations were built had no right to [1-second break in reception] in those radio and television stations.

They could not defend their interests because they were exploited. The workers and peasants who created the wealth built schools that their own children could not attend. The schools were attended by those workers' children that were considered special and by the exploiters' children.

The Nicaraguans who produced the wealth built hospitals, clinics, and health centers where they could not receive medical care; peasants could not go there. The health centers were exclusive, and people had to pay to be treated there. There were different levels of service in those clinics, health centers, and hospitals.

The people produced the wealth. Peasants milked cows owned by cattlemen, but peasants could not give that milk to their children. That milk was sent to market, and the profit went into the farm owner's pocket. That was the Nicaraguan reality.

There were elections. Many elections were held between 1821 and 19 July 1979. However, the various oligarchic groups used these elections to share power in a rotational system and to exploit the Nicaraguan people. They had disagreements and fights over the wealth, but they did not fight over how to find better ways to distribute that wealth and benefit the Nicaraguan people, workers, and peasants. They fought as criminals fight over what they have stolen from an individual or a family.

Those very efficient, very organized financial brains, which were educated under the norms of mercantile capitalism; the big economists; and the excellent, efficient producers possessed the historic opportunity from 1821 to 1979 to prove that their proposals could respond to the country's economic needs and to the Nicaraguan peoples' demands for democracy. The Nicaraguan people withstood them for too long.

They had a great opportunity from 1821 to 1979 to try all possible economic plans and what they termed democratic formulas to respond to Nicaragua. It is only logical that if they had responded to the Nicaraguan people, there would not have been revolution.

If peasants had not gone hungry, had been well fed, and had not really been exploited in the past, then what or who would they have fought for or against? If Nicaraguan peasants and workers would have enjoyed freedom and democracy in the past, they would have had nothing to fight for, because they already would have enjoyed freedom and democracy.

However, the truth is that both those named Somoza and others that defended the same interests as Somoza never, ever cared about or were interested in resolving the Nicaraguan people's problems. They had to be efficient; unquestionably, they were very efficient. They were efficient at seeing who was better at exploiting peasants and workers. When it was time to defend their interests, the conservative bosses and demagogic liberals resorted to [word indistinct], but not through the law and much less by appealing to the national conscience, because they certainly would find no support. They pulled strings. They went through the fields and streets recruiting peasants and workers to defend their interests in the wars they used to snatch power from each other so they could grow richer.

That was a true human hunt: workers were denied the right to education, health, and the freedom of expression; workers and peasants were recruited to go and fight against other bosses to defend individual, private, and even family interests; workers were denied their right to protest and eat; and workers were repressed, tortured, robbed, and murdered in the most brutal ways.

The Nicaraguan people were sufficiently peaceful and patient from 1821 to 1979. They waited all that time for the famous democracy to emerge.

Who was behind those leaders? Who was behind the interests of Nicaraguan oligarchs? Who put them in and took them out of power? Who armed them and gave them a few dollars to betray the homeland? The Yankees. The Yankees were there, and there was no East-West conflict in Nicaragua or in the world. Despite this, the Yankees invaded Nicaragua in the past century and invaded Nicaragua again early this century.

And there was no [words indistinct]. Lenin had not yet reached the Winter Palace. The October Revolution was not yet a reality. At that time there was no [word indistinct]. At that time the conflict was the product of Yankee imperialism, which wanted to (?humiliate) and exploit our peoples. It wanted to [words indistinct] of our nation and our sovereignty.

For the first time in the history of Nicaragua, we have been building a democracy since the triumph of the revolution. That is why it is good to remember a little history. It is important to value what we have now so that we will not miss what we buried forever on 19 July 1979. That [the Somoza regime] was not a democracy. It was never a democracy despite the fact that it was called a democracy and that the United State labeled it a democracy. That was not a democracy. We have had a democracy since 19 July 1979. When the people are masters of their destiny, when the people are masters of their history, when the people are the masters of their acts, that is when we indeed have a democracy.

When the people are entitled to express their views, when the people are entitled to criticize, when the people are entitled to organize, when the people are entitled to be fed, when the people are entitled to health and education, that is when we are indeed building a democracy. When the peasants are entitled to land, that is when we are indeed building a democracy. When the residents

of our cities—who had been forcibly removed by the [Somozist] police—are entitled to a piece of land to build their homes, that is when we are indeed building a democracy.

Democracy is not only for newspapers. It is something deeper and more complete. Democracy is the power of the people. The power of the people demands a just distribution of wealth. The power of the people cannot allow wealth to be concentrated in the hands of a few and to not reach the masses. That is what the dictatorship of capitalists is, for those speaking of the dictatorship of the proletariat. The Nicaraguan people forever overthrew the dictatorship of the capitalists that was supported by the rifles of the Somozist Guardsmen during its final days in this nation.

In 1988, we implemented a monetary reform accompanied by a package of measures that have already been (?explained). You know them because they were recently promulgated and implemented. These measures are intended to protect the country's production. These measures are intended to curb inflation, not end it. These measures are intended to set better wage and price controls, (?not) to freeze prices and wages. These measures must be respected. All Nicaraguans must abide by these regulations. The person who does not abide by or respect them conspires against the interests of the nation. That person conspires against the people.

We have spoken with producers from the agricultural and livestock sectors. We have spoken with businessmen. We have talked with industrialists. We have spoken with all the sectors involved in the country's production so they understand the need to support this economic struggle. Nicaraguan workers and peasants actively and directly participate in this struggle. We cannot accept demagogic stands to defend those who profit from the hunger of the people.

We must put the price gouger in his place. A price gouger is not only the illegal merchant operating in the markets, but also the private or state producer that alters the production cost. A price gouger is the private or state producer who, instead of distributing the product as ordered, surreptitiously increases its price and sends it to the profiteering market. A price gouger is the producer, government official, minister, director of an autonomous agency, director of an enterprise, or private producer who does not respect the wage scale.

One cannot be using the people's hunger for demagoguery; one cannot be demagogic at a time when so much blood is being shed daily in our country due to U.S. aggression. Once again, we appeal to all Nicaraguans, regardless of their political or ideological positions; to the trade unions, regardless of their political or ideological stands, to try to support this effort in a constructive manner—not unconditionally, but constructively. This means criticizing whatever they want to criticize, because this economic effort must be carried out amid permanent self-criticism and criticism. However, they must support this effort.

We urge all producers, political parties, organizations, and trade unions to support the measures constructively.

We have already heard that the measures concerning the change of currency signified a great effort. It is a victory that the measure was kept absolutely secret by the more than 60,000 workers who were involved in this project right up to the day it was announced. We have been able to remove an enormous number of bills from circulation and to confiscate 11 percent of bills in the old currency that were held by counterrevolution and price gougers who have counterrevolutionary sympathies.

We are going to work with the greatest energy and firmness; we will work with the same energy and firmness used to launch the final offensive against the Somoza dictatorship. We have committed our forces, the forces of the government, the workers, the masses, and all those willing to defend the interests of the revolution.

We will act not only rationally and flexibly but also energetically. This must be totally clear to everyone, because this is not the time to take the dramatic situation Nicaragua is experiencing lightly.

We must make an extraordinary effort so that in the next few years—in 1988, 1989, and 1990—we can achieve an average annual material production growth rate of 5 percent. We must continue struggling to maintain production and export levels. We will have to continue struggling to guarantee the production of basic goods for all Nicaraguan workers. We must also encourage production of nontraditional products. We must continue struggling so that persistent inflation will not overwhelm us and so that we can coexist with inflation by neutralizing and controlling it. In this way, we can have an opportunity to increase material production.

It is obvious that we will not be able to overcome the country's economic crisis as long as we do not attain peace and as long as the war continues. However, it is our duty to exert ourselves fully under these conditions to overcome the crisis and solve our country's most important problems. For 1988, among other measures, we are cutting the spending budget by 10 percent, including defense spending. This is a harsh blow, but we have no other choice. We are working to immediately reorganize the government to release a certain amount of human resources, meaning technicians and workers, to improve production in the agricultural, livestock, and industrial sectors. The turnover of the work force in those sectors is very high, and technicians are needed to improve production.

An extremely important and historic event took place in Central America in 1988 [as heard]; that is, the agreements signed on 7 August 1987 in Esquipulas, Guatemala by the five Central American presidents. This is a historic event because for the first time since 1821—when the Central American states united to become independent from Spain—we again, on 7 August 1987, achieved a Central American consensus to implement an independent, peaceful, and democratic policy. This was attained—and this is the most extraordinary thing—despite the aggressive attitude, pressure, and blackmail of the U.S. Government.

The will of the Central American governments to work for our independence, self-determination, sovereignty, peace, and democracy has been tested since 7 August 1987. The Central American, Latin American, and Caribbean nations have always been subject to foreign exploitation and domination. Likewise, the Latin American and Caribbean people have not been given their democracy, liberty, and justice. The Latin American and Caribbean countries' history of military governments and military coups d'etat are well known. The stroke of a pen or a bayonet always destroyed whatever democracy existed in those countries. This proves that certain factors still prevail deep in the heart of Latin America. We must abolish these factors because they threaten Latin America and Caribbean efforts to attain democracy.

The Nicaraguan people stated their solidarity with the Argentine people and government on several occasions during 1987, and even early in 1988, when the Argentine Armed Forces threatened the democracy attained in that nation.

That is reality. Democracy is not perfect in any Latin American or Caribbean country. Logically, in some places democracy does not completely exist. This allows Mr Pinochet (?to claim) to have a democracy, this allows the U.S. rulers back it, and it lets him set his economic policies. No one in the world can believe that a democratic system exists there.

Regardless of how many elections are held in Haiti, where a quote ruler unquote was elected, regardless of how much the U.S. rulers recognize the Haitian Government, this is a democratically elected government that will have to [words indistinct]. No one can accept this masquerade of democracy.

We could discuss each Latin American and Caribbean country and will find the difficulties that exist in the struggle to strengthen democracy.

In Central America, we decided to take a small step for peace and democracy by signing the Esquipulas agreement on 7 August 1987. This agreement [words indistinct] presented here this morning by [Uruguayan Vice President] Enrique Tarigo, who made us recall the report that the International Verification and Follow-Up Commission [CIVS] presented in January.

It has reminded me of the part played by Nicaragua, but we would have to look at the role of other Central American governments. It is clear that in spite of the goodwill that some presidents have demonstrated, in some Central American countries that are known to all, bishops are murdered, human rights representatives are murdered, deputies are murdered, workers are murdered, and human rights are systematically violated, according to the CIVS report.

Until 7 August 1987, some in Central America, and even some here in Nicaragua, believed that there were four perfect democracies in Central America and an undemocratic system in Nicaragua. That is, the Esquipulas effort is largely an effort to democratize Nicaragua, but not to democratize the other Central American countries because they already possess perfect democracies.

And they believed it. The Esquipulas agreement [word indistinct] work to verify [word indistinct] democratize is repeated here by those who think about selling the homeland. They say democratize, democratize. Those who have used the tyranny of the economy and the tyranny of the communications media tell us: Democratize yourselves.

They were so certain of their democracy that in Point 10—Vice President Tarigo mentioned this point—in Point 10 we clearly defined that the CIVS was composed of the Contadora Group, the Support Group, the United Nations, the OAS, and the five Central American states, to follow-up and verify compliance with all the agreements, with all the agreements. [repeats himself]

We gave that commission complete [word indistinct], and (?they) believed that after the commission toured Central America, it was going to report that it had found complete democracy in El Salvador, Guatemala, Costa Rica, and Honduras, but not in Nicaragua.

In other words, [words indistinct] in that absurdity, because that kind of expectation is raised, but people do not act responsibly.

The commission visited all the Central American countries, and all of them agreed to participate in the commission's verification work in the region. Everybody was there: eight Latin American countries, the United Nations, the OAS, and all five Central American states were represented. They visited each country, each country. [repeats himself] And, as we might read in a literary classic: Oh, what a surprise! In Costa Rica, they discovered human rights violations and found that only one strike has been declared legal in the last 10 years. In

Costa Rica, the commission discovered that labor leaders are clubbed and killed. In Costa Rica, they discovered that the Costa Rican Guard represses banana workers and peasants demanding land. The commission found that no party can register under the name of Communist Party even though all other Latin American countries have communist parties. In Venezuela, Argentina, Uruguay, and many other countries, these parties even participate in elections. The communists are not only registered there, but also participate in elections. Oh, what a surprise!

Some Latin American countries really believed that Costa Rican democracy was something exceptional, something that went beyond. They thought it was the perfect democracy in Latin America and the Caribbean.

The commission also learned that there are political prisoners in Costa Rica and that there are claims concerning freedom of expression. The commission discovered there is a monopoly there that prevents workers from freely expressing themselves.

The commission learned of claims in Costa Rica. However, we did not bring up these claims; the Costa Rican people did. They denounced all those things to the CIVS, and, if the Assembly will allow me, those matters denounced are recorded in the minutes. They are recorded in history.

Then what can the commission say? The commission must say that Costa Rica must also fulfill the accords and also become democratic.

The commission then came to Nicaragua. Victor [Deputy Foreign Minister Tinoco] already expressed the comments of the commission on Nicaragua, so I will not repeat them.

The commission then traveled to Honduras, El Salvador, and Guatemala. In those cases, I can't say: Oh, what a surprise!

The commission simply confirmed what everyone already knew about the murders of teachers, labor union members, workers, soldiers, social workers, deputies, and religious people, such as priests and bishops. They confirmed systematic murders, the lack of labor union freedoms, and the lack of freedom of expression. The commission drafted a very large number of reports concerning these three countries. We are fully convinced that President Vinicio Cerezo never propounded this policy in Guatemala; that President Duarte never proposed this policy in El Salvador; and that President Azcona never presented this policy in Costa Rica; I mean Honduras.

The truth is that these three Central American states are controlled by oligarchic sectors and repressive and criminal military groups. As I told the Central American presidents at the first Guatemala meeting, had there not been a revolution in Nicaragua, I would not be governing my country, and the military would be ruling here. There is a broad democratic opening in our country; we can confirm this. However, there is great pressure from these rightist, oligarchic, and military sectors to form paramilitary groups to systematically murder the population. There is tremendous pressure to close this opening again.

We (?did not) report on the domestic situations in Honduras, El Salvador, and Guatemala or on the people of those nations. We only reported on security issues; namely, the use of other Central American territories to attack Nicaragua. We did not judge the military regime of each Central American country, because we know that the people of any nation—Central American, Latin American, Caribbean, or any other—ultimately determines its own course of action. When we met in Costa Rica on 15 and 16 January, indignation against the commission was tremendous and deep. They were indignant because the commmission had told the truth. The countries wanted a commission that would lie, a commission that would deny everything it was told, a commission that would aim its cannon only at Nicaragua. This was not the role of the commission; its role was to verify the fulfillment of a plan for peace and democracy. Before the people, all of us Central American countries pledged to comply. This meant that Costa Rica, El Salvador, Honduras, Guatemala—all of us—had to comply.

But they did not want to, particularly some Central American presidents, such as those from El Salvador and Honduras. When the 15 January meeting was about to begin, these governments' foreign ministries released a communique that rejected the commission's report, despite the fact that every government had pledged to respect the commission's report. We had agreed that we could appeal the report by saying: I think the commission is (?exaggerating) in this report, and here are my reasons.

And the commission would have listened. If the commission accepted the appeal, then it would have corrected its report. But the report would not have been amended if my views were turned down. This was the agreement. This is what we were bound to abide by. What happened? The commission was ignored. We did everything possible, but we cannot impose our stands on other governments, such as El Salvador and Honduras, which clearly stated they did not want any commissions. This is what they did and what we do not agree with. Point [words indistinct] of the Esquipulas agreement was deleted.

This is serious because we have been left without a means of verification. However, at the 15 January meeting it was agreed, for the good of the peace plan, that verification was essential and that we could resort to regional and extraregional governments and international organizations for verification. In other words, the door was left open to form a verification commission.

Nicaragua has presented a very specific proposal to form this verification commission. In this proposal, we again insist that this commission should include the Contadora and Support Groups, the United Nations, and the OAS. It would also include Spain, Canada, Italy, Norway, Sweden, and the FRG—six countries, all from outside Central America. We would have the Latin American countries and six other states, those from Europe and Canada. That is 14 countries. In addition, we would have the two organizations, the United Nations and the OAS, so this would be 16 members. This sounds like a large number, but I do not think it is because there are many tasks to accomplish. The idea would be to distribute the work so these countries can participate in verifying and following up the peace plan that we have ratified and pledged to comply with. Every one of us is willing and obligated to comply with it.

I say this because without a means of verification, we run the risk of repeating what is happening now. We are forced to talk like this. President Duarte speaks as if he were the supreme judge appointed to say [words indistinct]. President Reagan also says every country has complied except for Nicaragua. President Arias has expressed his opinion on what Nicaragua should do. But nobody dares point out that Honduran territory continues to be occupied by the United States to attack Nicaragua.

No one dare says that the United States continues to promote and finance a war against Nicaragua; even with the vote by the U.S. Congress, that chapter is not closed. Although the U.S. Congress voted against the funds, we now face a new request for funds that will be debated by the early days of next month at the latest. Therefore, the new chapter is war. Reagan will try again to create space to finance the mercenaries by asking for what is termed humanitarian aid. This is not fair; it is not fair. It is not justifiable to give humanitarian aid to an armed group that is attacking.

It would be different to give humanitarian aid—as we accepted it in the Esquipulas agreement—to armed groups that have undertaken a cease-fire and are undergoing a disarmament process to accept amnesty and enjoy the political opportunities existing in every country. This is the only humanitarian aid that can be understood; the other one is not humanitarian aid. By approving that type of financing, the U.S. Congress would be erasing the word peace that it wrote a few days ago when it voted against the funding. Congress would be playing a game; it would be erasing the word peace and replacing it with the word war. It is a Congress with a lot of vested interests, particularly selfish interests, that plays with the Nicaraguan people's lives, plays with the Nicaraguan people's security, plays with the Nicaraguan people's hunger, and does not respect their sovereignty and self-determination.

The U.S. Congress has no moral authority or right to even discuss whether it will approve even one dollar so that the mercenaries, the terrorists, can attack the Nicaraguan people.

This type of debate by the U.S. Congress demonstrates disrespect for international law. It demonstrates Congress' lack of ethics concerning respect for laws or international law. It shows Congress' disrespect for the ruling by the International Court of Justice, a court to which the U.S. Government has resorted in its own interest on many occasions, a court whose ruling it undermines when it tells it that [words indistinct] against Nicaragua. That Congress has no right and is acting illegally when it agrees to debate the approval of funds of any sort. This is because it is interfering with, intervening in, and not respecting the Nicaraguan people's sovereignty, independence, and self-determination.

It is also not respecting the will of the international community, as it is clearly outlined in resolutions by the UN General Assembly and the Security Council; Nonaligned Movement resolutions; OAS resolutions; and the agreements of the Central American presidents. The Esquipulas agreement [words indistinct]. That is why we Central Americans must comply with it. Following the 15 and 16 January meeting, we agreed in the document released in Costa Rica to immediately fulfill all the points. The document not only requested lifting the state of emergency and eliminating the special government tribunals, but also called for a cease-fire. This is a very important point. We immediately adopted a new approach to reach a cease-fire, to end the war, and to have the United States respect the peace agreement. We used direct contact, direct talks with the mercenary forces representing U.S. interests, with the mediation of Cardinal Obando y Bravo. We held the first meeting in Costa Rica, and then we met in Guatemala. Although the revolutionary movements in El Salvador and Guatemala have demanded talks, those talks are not granted. President Duarte is obliged to meet and speak with the Salvadoran revolutionaries to seek a cease-fire.

The Salvadoran revolutionaries' stand has been publicly stated. They demand that President Duarte comply with the Esquipulas agreement.

We are all obligated to comply, and he who demands compliance from others must himself comply.

As for the last meeting in Guatemala, Cardinal Obando y Bravo was given the Nicaraguan Government's proposed agenda for the cease-fire talks. He also received the contra proposal. Cardinal Obando y Bravo then searched for points of agreement between the two proposals, leaving out those issues that the proposals did not agree upon. However, it was impossible to get Reagan's representatives to agree to discuss the points of agreement Cardinal Obando y Bravo found.

Then, in a rather surprising move, Cardinal Obando y Bravo came out with a proposal of his own. His plan included points that had been included in neither our proposal nor that of the contras. The plan needs to be clarified. It was very clear concerning the points of

agreement with the Nicaraguan Government; for example, the proposal stated that an amnesty should be decreed. We agree with the amnesty. There will be an amnesty once the cease-fire is implemented. We had no disagreement with Cardinal Obando y Bravo's plan on that point.

Then, he mentioned democracy. Here, again, there is no disagreement. We are fully prepared to allow the international commission to verify these agreements on democracy and compliance with the agreement. [Words indistinct] is made up of Contadora, the Support Group [words indistinct]. We are willing to allow them verify matters; we do not fear verification.

Reduction of the military service: As soon as the war ends, we will of course have to review our policy concerning military service. This is because there will then not be as great a demand for military forces to confront the insurrection. Therefore, the number of forces will be greatly reduced. However, obligatory military service is a law of the Republic, and it is not going to be abolished. Many countries in the world have mandatory military service, even if there is no war.

Then there is the matter of the dialogue [words indistinct]. The Nicaraguan Government has entered into a dialogue, which is something that has not happened in some other countries. We have not broken off the talks. Dialogue implies talking, discussing, listening, and seeking points of agreement. To hold a dialogue does not mean having someone do what you want. We have begun a dialogue with the political parties. No one can say we have told the opposition parties: Come and do this, this, and that. That has not been the case. We have tried to reach an agreement with all opposition parties. However, most of the opposition parties have entered into the dialogue with a perfidious, blackmailing attitude. I say perfidious because the desire to blackmail the Nicaraguan Government—particularly under present circumstances—is treason to the fatherland because it ignores the nature and strength of the revolutionary government.

If we have not broken under the Yankee pressures or been scared by the Yankee threats of invasion, and are here awaiting the invasion, we are not going to give in to blackmail from the opposition parties that did not even participate in the elections. There are others, such as the so-called Communist Party with alleged revolutionary leanings, that have turned out to be worse than the oligarchs and capitalists. It is normal for oligarchs, capitalists, and those on the CIA payroll to act the way they do because they are defending their own interests. They have always been exploiters, they have always been accustomed to doing everything for the Yankees, so it is not at all strange that they speak and write the way they do. However, the fact that those opposition parties who call themselves revolutionaries, Marxist-Leninists, and Communists have such attitudes is really [words indistinct]. This is an attitude of betrayal. It is an attitude that betrays the hopes of the few people who had hopes for the dialogue. It is blackmail to tell the Nicaraguan Government: I will not talk with you unless you alter the Constitution the way I want it. Who has ever heard of such a thing?

The United States has amended their Constitution 25 times [as heard] in 200 years. By the same token, they want us to amend our Constitution 17 times in 9 years during a war. These are substantive aspects that we cannot deny. They are the principles of democracy. We held elections here, and I know of only one result: You are sitting in your seats as a result of direct votes. We must not forget that the FSLN received the majority of votes. Therefore, we must respect the will of the people, which is expressed in this parliament, in this congress, in this assembly.

And the opposition cannot mock the will of the people, after we attempted to contact the people so they could directly participate in drafting the Constitution. The Constitution was approved by this parliament. Thus, we are not going to come and shred the Constitution with a single stroke simply because it is a condition for dialogue. That is undemocratic. That is an attitude of blackmail, of blackmail [repeats himself]. It is not a rational, political, or logical attitude. It is an attitude that disregards the firmness and competence of those who are defending the people's interests, and those who represent the people's interests.

We are willing to resume the dialogue, and we have not suspended the dialogue. All the opposition parties attended a recent meeting chaired by Commander Nunez. They were advised that they could present all their constitutional amendments through the democratically established channels. We are not going to have a new parliament or bring in a parliament from outside so that opposition groups can replace this body, which is the fruit of efforts and direct elections held in November 1984.

I told them that if they wanted to present amendments they could do so, but not arbitrarily, and not by resorting to blackmail. Whoever wants to propose amendments can present them to a representative in the Assembly, where they can be discussed. If they are considered reasonable, then possibly an understanding can be reached. If an amendment is deemed reasonable, then certainly a majority vote will decide. They were told they could present their amendments to regular laws, on points concerning municipal elections, and that as soon as they presented them to us we could begin work on them immediately. I never received an answer.

They presented a document requesting the dialogue, but they then suspended the dialogue. We only know that they suspended the talks, that they withdrew. We are waiting for them, but we are waiting to continue an

unconditional dialogue. These talks must continue without conditions of any kind. We have not placed any conditions on them; we have not set any conditions. However, we could set conditions connected with national security concerns.

Some of the groups that attended those meetings had opposition members, including members of the so-called Communist Party, which is being financed by the U.S. Embassy. They receive money from the U.S. Embassy. They are receiving money from a government that has imposed an embargo against Nicaragua, a government that is waging war against the Nicaraguan people, a government that approves funds to destroy the Nicaraguan economy and Nicaraguan life. This is treason to the fatherland. They are waiting to see what happens next. This is [words indistinct] and cannot deny that they are receiving money from the CIA. Yet we have not imposed a single condition. We have not said: Those who are in favor of the counterrevolution cannot come here, because that person is an agent linked to the counterrevolution, who is linked to the interventionist plan, because they want a Yankee invasion; they are dreaming of an insurrection. Recently, Democratic Coordinating Board groups met with the cardinal [Obando y Bravo]. They discussed an insurrection, that there is an insurrectional movement in the nation, and they requested him to aid the insurrection.

There are members of the opposition, members of the Communist Party waiting for the October insurrection. They want a repeat performance of the October 17 insurrection. They—the right and the so-called Communist Party—are very excited, because they believe the conditions exist for an insurrection to take place here soon. The only insurrection here is to promote the revolutionary process, to defend the revolutionary process, and to strengthen the revolutionary process, rather than support the elements that seek to create the tense conditions that exist in the country.

Here live a people who have demanded, for instance, that we do not grant pardons or an amnesty. We have had to make a tremendous effort to explain to the people why it was necessary to establish an amnesty. But the people do not yet understand. I have met relatives of those killed in combat who have asked me: How can you set these criminals free? You could release the man who murdered my son, perhaps a Somozist Guard who is now active in the opposition. This same man could now be an opposition leader who speaks against the revolution.

The Vatican, through L'OSSERVATORE ROMANO, has just criticized an amnesty and pardon. In Italy, a full-scale debate is proceeding, which I observed when I recently visited that country. The heated debate concerns whether there should be an amnesty and pardon for groups, such as the Red Brigades, that have committed terrible crimes. The Vatican said amnesty cannot be considered. The opposition parties should be very satisfied and understand that the nation demands an accord that uses the points of agreement to attain peace.

Once we have achieved peace, let everyone deliver his own speech, however crazy and antipatriotic this speech may sound. Should anyone begin to shout: I favor a Yankee invasion, or, let Hitler come, I think no one would pay any attention. This would be harmless while the country is at peace. However, in a war, someone that advocates intervention and aggression would place the people and the government in a very difficult position. This is because such a demand would violate the most fundamental interests of peace and the nation.

I have already explained that the cardinal made a proposal at the Guatemala meeting. The contras first refused to discuss the cardinal's proposal, with which they found points of agreement. Then, another proposal was made. I have explained all of this to you. When the cardinal offered his new plan, we asked for the contras' stands on some points to be clarified. This clarification, however, was not made. This was surprising because 3 days had been allotted for the discussion, which was slated to take place on 17, 18, and 19 [February]. So, in a surprise move, the cardinal suddenly suspended the dialogue.

We did not resume the cease-fire talks, but we are patient. I think much patience is needed. Everyone body needs to be patient while discussing a cease-fire. It is necessary to exhaust the subject and make progress if we truly want a truce to become a reality. We will try to continue the cease-fire talks.

In this struggle to protect national interests, we have profited from international political, moral, and economic cooperation, for which we are grateful. This cooperation continued throughout 1987. There has been extraordinary gestures of solidarity with and love for the Nicaraguan people. This includes those of the Americans who struggle in the United States for respect for the Nicaraguan people, for nonaggression against the Nicaraguan people, and against the policy of the U.S. administration.

Other remarkable examples also occurred, like that of U.S. citizen Benjamin Linder, who rebuilt public works for the peasants. He was murdered by President Reagan's mercenaries. There were also other gestures that demonstrate the true feelings of American people, such as the heroic gesture by Brian Willson, who placed his legs on the rails of railroad track to be run over by a train loaded with weapons destined for Central America. The train did not stop and Willson, as he himself has said, became another maimed victim along with with the Nicaraguan children, women, and workers who have been mutilated by the terrorist policy of the U.S. Government.

We have received international solidarity, particularly from the heroic American people, notably from civil rights and Vietnam war activists. Vietnam veterans, including even some who were decorated during the war, have renounced those honors and joined the army of fighters for peace in Nicaragua. They have had to face jail—(Minton), for example—in the United States. If a priest is jailed in Nicaragua, that is a crime; it is an international scandal. However, if a priest is jailed in the United States, that is not a crime; it is simply law enforcement.

We have here with us this morning (Roy Bourgois), the Catholic priest who has become committed to attaining peace for the Central American peoples, even though he has already been jailed seven times by the U.S. Government. [applause]

He is living testimony of the will of the American people, testimony of the kind of Christianity that wants to be on the side of justice and truth, even at the risk of enduring the hardships and suffering that may have to be met.

At the opening of this 4th legislative period today, 21 February, on the 54th anniversary of the murder of Augusto Cesar Sandino, our general of free men—that Sandino that the North Americans tried to kill, that Sandino that the North Americans have tried for decades to erase from our people's memories; that red and black flag that was grabbed, kicked, and trampled by the oligarchs, by the turncoats, by Somoza, and by the imperialists; those typical of the Sandinists who were denigrated and scorned because they were poor, and even illiterate. [sentence as heard] But that Sandino, with his small, crazy army, waving the red and black flag, rose up again among our people on 19 July 1979, when we achieved victory, and he has continued on this path. He has continued fighting with all his people against imperialist aggression. Sandino, with his red and black flag and his small army of barefoot peasants, is still present and still fighting in the ranks of the EPS and the Ministry of Interior. He is still present, still fighting, and still producing with the workers and the peasants who, as he so aptly stated, are the only ones who will travel the road to the end.

He is still struggling and still dreaming about all the Nicaraguans who this year celebrate the 100th anniversary of "Azul." [title of book written by Ruben Dario]

Dario and Sandino are present in this struggle for Nicaragua's dignity. Thank you very much. [applause]

Obando States Cease-Fire Agreement 'Not Easy'

PA221420 Panama City ACAN in Spanish 1953 GMT 21 Feb 88

[Text] Managua, 21 Feb (ACAN-EFE)—Today Cardinal Miguel Obando y Bando stated that the Nicaraguan Government did not wish to discuss its proposal for a truce at the recent talks in Guatemala, but he noted that reaching a cease-fire "is not an easy thing."

However, in statements to newsmen following the Sunday homily, Obando y Bravo said he will continue to be mediator "as long as I think I can."

"If the two parties want to continue the talks for a cease-fire and there is a chance of obtaining results, we can set a new date," the head of the Nicaraguan Catholic Church stated.

In Obando y Bravo's opinion, the main cause of friction between the Nicaraguan Government and the Nicaraguan Resistance [RN] is the cease-fire concept, because "the government views it as an end to hostilities, while the RN sees it as a means to achieve democratization."

The prelate said his truce proposal "sought to be a bridge," adding that if the government commission had agreed, "we would have had the opportunity to hold the discussion, although I must admit that things are not so easy."

The proposal Obando y Bravo presented demanded that the "contras" concentrate their troops in given enclaves. It also obligated the Sandinists to grant a general and unrestricted freedom of the press, dialogue with the internal political opposition, and the revision of the law on compulsory military conscription.

"The first three points," Obando y Bravo said, "are contained in the Esquipulas agreement, and the last point, although it is not contained in the accords, lies within their spirit."

The "contras" said they accepted the proposal "in principle." The government responded that it was necessary to clarify the number of enclaves, their location and limits, the duration of the cease-fire, its verification, mixed commissions, and supply conditions.

Furthermore, the government issued a statement announcing an amnesty law, which is linked to the cease-fire, and noted that the military conscription law could not be repealed until the war ends.

The cardinal stated he decided to suspend the talks on the 2d day, 19 February, after the government representatives advised him in a meeting that they did not want to discuss his proposal but rather the cease-fire concept.

According to Obando y Bravo, the discussion of that concept had brought the talks to a standstill the previous day. Since there was no consensus to discuss his truce proposal, he preferred to give both parties time to think about it.

In his Sunday homily prior to these statements, the cardinal reviewed what had taken place and reiterated that reaching a cease-fire "is not an easy thing."

"It is difficult," Obando y Bravo said, "but it must be attempted, and we Christians must be optimistic."

Ricardo Wheelock on Talks

PA230345 Managua Radio Sandino in Spanish 1930 GMT 22 Feb 88

[Excerpts] Major Ricardo Wheelock, chief of EPS military intelligence, has stated that the cease-fire talks must take place without preconditions, and that there is no room in them for the discussion of political issues. Maj Wheelock, who participated in the cease-fire talks, which were broken off by the Somozist counterrevolutionaries, noted during the "Direct" program that what the contras least want is an end to hostilities:

[Begin Wheelock recording] We met in Santo Domingo, San Jose, and Guatemala to reach a cease-fire. It is public knowledge that in Santo Domingo, San Jose, and Guatemala, the counterrevolutionary forces refused to discuss a cease-fire. Some important elements are necessary for a truce, such as that a cease-fire zone exist, that the cease-fire be agreed upon, that rules be established, and that compliance with them be verified. It is not possible to begin talks on a truce with preconditions: that one side do this or that or a number of things that lie completely outside the Esquipulas framework. In other words, the Esquipulas negotiating framework says that for a country to achieve democratization, there must first be a cease-fire, and that a cease-fire has to be agreed upon with the groups and elements I just mentioned.

The problem therefore stems from the fact that an effort is being made to introduce political issues—and not just political but also economic, propagandistic, and other issues—into talks that have nothing to do with these topics. Bringing up changes to the Constitution and a number of political matters are ways to stop us from carrying out our duties as a delegation.

President Duarte has been asked how he defines a cease-fire. On a number of occasions, he has said that for him to agree to a cease-fire with the revolutionary forces, those forces must put down their arms, accept amnesty, and join the Salvadoran political process; only then would he discuss a cease-fire. We went to these meetings with extremely abundant goodwill to achieve peace in our country. The problems were created when the other side brought up issues that have nothing to do with a cease-fire. [end recording]

In addition, Maj Wheelock said that for political issues to be discussed with the contra leaders, they must put down their arms and join the civilian political process, as stipulated in the Esquipulas accords. He added that the contras have been instructed by the Reagan administration not to reach any cease-fire agreement, because the U.S. Government hopes to obtain more funds to continue its war against Nicaragua. [passage omitted]

The EPS military intelligence chief expressed his opposition to having the U.S. Congress approve humanitarian aid for the contras, as proposed by Democratic congressmen, as long as no cease-fire agreement is reached. Wheelock emphasized that any aid given without a truce is logistical aid to allow the contras to continue operating militarily:

[Begin Wheelock recording] The revolutionary government's position on nonmilitary aid has always been the following: As long as no cease-fire agreement is signed, we consider any aid given to the counterrevolutionary forces by any organization—whether through the Red Cross, the CIA, or any other body—to be military aid. Even if they only receive chocolate pies, those chocolate pies—and the exaggeration is appropriate—will allow them to continue to operate militarily. This aid, which is presented as humanitarian aid, is therefore actually a trick. What the CIA is doing—or, rather, what it is going to do—is give them logistical military aid to allow them to continue operating; that is, for them to continue murdering people and destroying the nation. [end recording]

Panama

Delvalle 'Analyzing' Southern Command Presence

PA230401 Paris AFP in Spanish 0314 GMT 23 Feb 88

[Text] Panama City, 22 Feb (AFP)—Panamanian President Eric Delvalle and General Manuel Antonio Noriega, Panama's "strongman," met at the presidential palace for over 2 hours today. Nothing has been learned about what they discussed in the impromptu meeting.

Noriega, commander in chief of the Panama Defense Forces [FDP], arrived at the palace accompanied by Chief of Staff Colonel Marcos Justines.

Prior to the meeting with the two high-ranking military officers, Delvalle met with Foreign Minister Jorge Abadia, who refused to comment on the topic of discussions. However, he admitted that Panama and the United States are making important efforts to improve their relations, which are now at their lowest point following the recent indictment of Noriega by a U.S. grand jury on charges of international drug trafficking. "I believe there will be a prompt improvement," Abadia laconically told AFP outside the Presidency.

The Presidential Press Office has also refused to comment on the Delvalle-Noriega meeting. Noriega was not accessible to the press, which was awaiting him outside the Presidency.

According to a Foreign Ministry source, President Delvalle is completely familiarizing himself with and analyzing the presence of the U.S. Army [as received] Southern Command in Panama.

Last week a high-ranking Foreign Ministry source said the Panamanian Government would request, through diplomatic channels, that the United States eliminate the Southern Command, because its presence is not authorized by the Torrijos-Carter Treaties (1977).

After Noriega was indicted on drug-trafficking charges in the United States, the FDP demanded that Delvalle expel the U.S. soldiers stationed in Panama.

Party Leader Suarez Discusses Visit to Libya

PA191722 Panama City LA REPUBLICA DOMINICAL in Spanish 7 Feb 88 p 3a

[Article by Luis Gaspar Suarez, president of the Revolutionary Panamenist Party; datelined Tripoli, Libya, 13 February]

[Excerpts] I just returned to Libya; I have traveled to this country twice in less than 1 month. I present this report to the Panamanian people via DOMINICAL:

I have in fact become a roving ambassador...not only in North Africa but also in North America, northern Mexico, South America, and Peru. In the past few months, I have been involved in work at the highest level.

I wish to thank DOMINICAL readers for this opportunity. Colonel al-Qadhdhafi, leader Mu'ammar al-Qadhdhafi, admires the Panamanian cause very much, loves Panama very much, respects the Panama Canal, and voices concern for the Panamanian and world situation.

He is primarily concerned about the Panamanian situation because he draws great similarities between the Panamanian case and Suez Canal situation during the time when his mentor, his teacher Jamal 'Abd al-Nasir, reconquered the Suez Canal.

Al-Qadhdhafi sends greetings to the Panamanian people; he believes that Panamanians control their own fate and will definitely achieve their final goal, backed by history and reason; he believes that Third World countries will have to support the Panamanian cause.

There are new developments in Panamanian-Libyan relationships.

Al-Qadhdhafi has great personal affection for me, and this affection is reciprocal. Doors are always open for me in Libya; I can visit as often as I wish. Past struggles to defend the Libyan revolution, the Green revolution, were not in vain, because this man was aware of my background in defense of that masterful revolution in North Africa. My revolutionary "resume" has allowed me to be close to the Libyan people, their leaders, and Col al-Qadhdhafi.

I want to tell the Panamanian people that the members of a high-level commission in Libya have already been chosen. In this regard, the colonel is especially interested in reestablishing and deepening trade and protocols signed in 1977—there are three—during General Omar Torrijos' trip to the Socialist People's Libyan Arab Jamahiriyah. [passage omitted]

Al-Qadhdhafi is a healthy, trim man with an athletic body free of fat, as shown by the photographs. He is nourished by camel milk, dates, a great deal of vegetables, and roots. Logically, he leads a very healthy life, because no one drinks alcoholic beverages in Libya, and most people do not smoke. He leads an absolutely healthy life, which he devotes to his Muslim religion and the Green Revolution.

We went there to expedite—and worked intensely on this—the implementation of the trade protocol that was signed by Libya and Panama in April 1977 and approved through Law No 12 of 28 October 1977.

We also went there to set into motion the mutual cooperation agreements of April 1977, which were approved through Law No 4 of 26 October 1977, and, naturally, the cultural agreement signed by Libya and Panama in April 1977, approved through Law No 12 of 28 October 1977. [passage omitted]

Argentina

Foreign Ministry Requests OAS Meeting

PY221946 Buenos Aires TELAM in Spanish 1921 GMT 22 Feb 88

[Text] Buenos Aires, 22 Feb (TELAM)—This afternoon, Argentina requested a special meeting of the OAS Permanent Council to analyze the situation created by the United Kingdom's unilateral decision to conduct military maneuvers in the Malvinas Islands beginning in March. This announcement was officially made by the Foreign Ministry. The ministry also pointed out that Gaston de Prat, head of the Argentine mission at the OAS, today presented the OAS authorities with a request that will, it is hoped, receive a favorable answer.

Briefs

Amphibious Commander Appointed

Buenos Aires, 19 Feb (NA)—In a ceremony to be held aboard the ship "Cabo San Antonio," Navy Captain Miguel Angel Piccinini will be installed on 22 February at 1100 as commander of the Amphibious Naval Command. The ceremony will be presided over by Sea Fleet Commander Rear Admiral Emilio Osses. [Excerpt] *[Buenos Aires NOTICIAS ARGENTINAS in Spanish 1500 GMT 19 Feb 88 PY]*

New Agrarian Under Secretary

Buenos Aires, 19 Feb (TELAM)—Agriculture, Livestock, and Fishing Secretary Ernesto Figueras today installed the new Agrarian Under Secretary Eduardo Manciana, who replaces Ruy de Villalobos. [Summary] *[Buenos Aires TELAM in Spanish 1535 GMT 19 Feb 88 PY]*

Central Bank Directors

Buenos Aires, 18 Feb (DYN)—Pursuant to Decree No 286, Messrs Julio Dreizzen and Julio Singer have been appointed directors of the Argentine Central Bank for a 4-year period. [Excerpt] *[Buenos Aires DYN in Spanish 0236 GMT 19 Feb 88 PY]*

GDP Growth in 1987

Buenos Aires, 19 Feb (TELAM)—According to studies conducted by the Economic Commission of the Argentine Industrial Council (CAI), the Argentine GDP experienced a 1.6-percent increase in 1987. [Excerpt] *[Buenos Aires TELAM in Spanish 1252 GMT 19 Feb 88 PY]*

AIDS Statistics

Health Secretary Adolfo Rodriguez today said that 154 AIDS cases have been reported in Argentina. He said it is not yet known how many AIDS carriers there are in our country. [Excerpt] *[Buenos Aires Domestic Service in Spanish 1600 GMT 19 Feb 88 PY]*

Bolivia

Foreign Minister Visits Argentina, Chile

Buenos Aires Talks

PY191320 La Paz La Red Panamericana in Spanish 1130 GMT 19 Feb 88

[Text] Foreign Minister Guillermo Bedregal Gutierrez has affirmed that Argentina is willing to pay its debts to Bolivia in the near future, thus allowing the Bolivian Government to count on approximately $70 million for its economic reactivation plans. Minister Bedregal Gutierrez returned to La Paz from Buenos Aires, where he talked with President Raul Alfonsin and expressed the Bolivian Government's concern about such payments. Talking to the press at the El Alto International Airport, Minister Bedregal Gutierrez said the Alfonsin government is willing to meet its commitments to Bolivia, but he declined to give details until he reports on his mission to President Victor Paz Estenssoro this morning.

Chilean Position 'Reactionary'

PY221447 Madrid EFE in Spanish 0305 GMT 22 Feb 88

[Text] Lima, 21 Feb (EFE)—Bolivian Foreign Minister Guillermo Bedregal today said in Lima that the Chilean position toward Bolivia's landlocked situation is reactionary and completely inappropriate at this time." Bedregal maintained that modern Latin American international law is undergoing a renewal and that its projections are not in keeping with "the chauvanistic and ultraconservative position of the Chilean military regime."

Before leaving for Cuenca, Ecuador, accompanied by his Peruvian counterpart, Allan Wagner, to a meeting of Andean foreign ministers, Bedregal said at the Lima airport that the talks with Chile on the Bolivian landlocked situation were discontinued "by a unilateral Chilean Government decision." He added that his country will continue to seek a dialogue to solve the problem because he is sure that this is a Latin American problem, and the Latin American people "must work together to solve this issue."

He said that Bolivia is optimistic because of the "obvious and significant progress" achieved during the very difficult negotiation. We have awakened the awareness of a major sector of the Chilean public, and this is reassuring," he stressed. He added that in this country there is "great unity" on the issue, and that Peru "has always extended its support and understanding."

COB Says Talks With Government To Resume

PY221356 La Paz La Red Panamericana in Spanish 1130 GMT 22 Feb 88

[Text] COB leaders have said that they are willing to resume talks with the government if the executive branch asumes a more flexible position,. otherwise, the COB will suspend the negotiations again. Carlos Camargo, a COB leader, said that a joint COB-government meeting will take place today and that it will be positive only if the government modifies its position regarding its rejection of the workers social demands.

According to Camargo, COB grassroot organizations could demand the suspension of the dialogue with the government and the adoption of radical measures of pressure. However, he said, the government could make proposals worthy of discussion with the workers as long as they are expeditious solutions favorable for the workers. Camargo said that the one demand the workers will not yield to is their salary demand. He also said that the 16-percent salary increase offered by the executive branch is insulting, given the current high cost of living.

Spain Donates $5 Million To Ease Foreign Debt

PY201544 La Paz La Red Panamericana in Spanish 1130 GMT 20 Feb 88

[Text] The Spanish Government has agreed to donate $5 million to Bolivia so it can repurchase its private foreign debt. During Foreign Minister Bedregal's recent visit, Spain promised to participate in Bolivia's attempt to repurchase its debt. Bedregal also obtained a $15 million loan for the purchase of goods and services. The Bolivian Government is planning to repurchase approximately $1 billion of its private foreign debt with a disbursement of $75 million.

The foreign minister said that the negotiations on the agreement on the repurchase of its private foreign debt have been progressing, and that Bolivia will make a definitive proposal to the committee of private banks in April. He stated that the Spanish loan is important, and that the Bolivian Government wants to obtain the aforementioned amount to overcome a difficult economic situation and to get new credits.

Brazil

Foreign Minister To Visit Colombia, FRG

PY230047 Brasilia Domestic Service in Portuguese 2200 GMT 22 Feb 88

[Text] Foreign Minister Abreu Sodre will travel to Colombia on 24 February to participate in a 3-day meeting of the Group of Eight, made up of the Contadora Group and the Contadora Support Group, in the city of Cartagena. According to Itamaraty, this meeting will be held to discuss issues of continental interest and the implementation of decisions made last November by the presidents of Brazil, Argentina, Uruguay, Peru, Venezuela, Colombia, Panama, and Mexico in Acapulco.

The peace process in Central America will be included among the problems the eight foreign ministers will discuss. This meeting will be followed by another meeting in Hamburg, FRG, on 29 February and 1 March, when the foreign ministers of the Group of Eight will separately meet with their 5 Central American colleagues and their 12 colleagues of the European Economic Community.

Brasilia To Request Extension on Debt Payments

PY221702 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 22 Feb 88

[Text] Brazil will request an extension on its interest payments to creditor banks. This petition will be part of the foreign debt renegotiations in order to allow Brazil to issue bonds, request new loans, and turn its debt into capital. Finance Minister Mailson da Nobrega has confirmed that Brazil will request this extension today. He has gone to Alvorada Palace to deliver a full report to President Sarney about his recent trip to the United States. The finance minister said that the country is now much closer to an agreement with its creditors.

[Begin Nobrega recording] We are currently trying to reach an initial agreement regarding the amount of money to pay, and if possible, an agreement regarding the interest rate for the future. Those are, I believe, the most important issue of the agreement. The rest of the issues being discussed with the banks will take some time to be resolved. However, we hope that we will reach a definite agreement with the banks by the end of March. [end recording]

Guimaraes Proposes Truce With Government

PY221451 Rio de Janeiro O GLOBO in Portuguese 21 Feb 88 p 3

[Text] Brasilia—Ulysses Guimaraes, president of the National Constituent Assembly, yesterday proposed "a truce in the Government-Constituent Assembly relations." He said that an atmosphere of comprehension must be built "to allow the government to govern and permit the Constituent Assembly to draft the constitution."

Guimaraes made this statement following yesterday's Constituent Assembly session. He commented on the recent disagreements between the government and the Constituent Assembly.

"The relationship between the government and the Constituent Assembly must be constructive. Even if criticisms are made, they should be constructive. I am sure this is President Sarney's objective, as well as mine," Guimaraes said, adding that "a difficult and harsh relationship does not benefit anyone."

Guimaraes did not wish to comment on President Sarney's statement during his "Chatting by the Radio" program of 19 February when he had said that "the country is about to be set on fire." Guimaraes nonetheless responded to the criticism made by Communications Minister Antonio Carlos Magalhaes who has said that Ulysses is drafting the constitution for himself.

"I am listening to all sectors, from the PCdoB to the businessmen. I try to act as a referee," Guimaraes said.

Meanwhile, Senator Fernando Henrique Cardoso, PMDB leader in the Senate, said that no one in the Constituent Assembly wishes to set the country on fire. He even said that "President Sarney should reprimand those ministers who go beyond their duties and proclaim themselves as censors of the Constituent Assembly."

Chile

Union Leader Denies CNT Advocates Violence

PY222135 Santiago Domestic Service in Spanish 1600 GMT 22 Feb 88

[Text] Humberto Soto, acting president of the National Workers Command [CNT], today said that the CNT has never called on the people to cause street disorders, to burn busses, or to stop drivers from carrying out their jobs. Soto made this comment in relation to the call for social mobilization, that is protest, issued by the Communist Party, which is supported by labor and student organizations.

[Begin Soto recording] You will find that the workers of the CNT organizations have never called on the people to burn busses or to stop drivers from carrying out their jobs. Nor have they violated the freedom of individuals. We are not like the priest (Gatica). We practice what we believe; democracy should be: respect for somebody else's ideas even if we disagree. [end recording]

This sounds good but these are just words that are gone with the wind. It is like throwing a rock into the water. There is an initial splash, and the ripples gradually grow. They were first called mobilizations, then protests, and finally street disorders, complete with vandalism, injury, and death.

Humberto Soto said the government is responsible for the violence. He would not accept any of the responsibility, even though the CNT called for social mobilizations. It should be recalled that CNT President Manuel Bustos, the leftists Christian Democratic leader whom Soto is replacing, is being tried because he was one of the leaders who was most deeply involved in the unsuccessful national strike last October. The fact is that the violence has caused over 400 deaths and 2,000 injuries in a country like ours, which loves peace and wants tranquillity without political chicanery.

ACHA Statement Denies Advocating Violence

PY232243 Santiago Domestic Service in Spanish 1600 GMT 22 Feb 88

[Text] The Chilean Anti-Communist Alliance, ACHA, says in a statement that all accusations against it are a farce orchestrated by Marxist elements of the opposition. The statement, released a few hours ago, says that ACHA was an ideological organization with the sole purpose of making known to all levels of the population the risks that Marxist doctrine poses to the stability of the Western world. The statement, which says that ACHA is no longer active, also indicates that ACHA never accepted violence as a way of struggle because that would have meant falling into the same methods used by the Communists.

The statement also says ACHA concentrated its efforts on tasks of an intellectual nature in accordance with statutes of similar organizations that operate in other Latin American countries. According to the investigation conducted by the former ACHA members, Marxist terrorist organizations are responsible for using the ACHA name to make threats against people, even threats against Marxists, with the sole purpose of discrediting ACHA.

ACHA accuses editors Jaime Celedon and Alejandro Cohen of being morally responsible for the death threats against Chilean artists. The ACHA members said the charges against Celedon and Cohen will be submitted to the courts when enough evidence is gathered.

The ACHA statement, disclosing the farce orchestrated by the Marxists, refers to the disappearance of five people last September. ACHA strongly denies any connection with that case and with the anonymous calls made on behalf of ACHA to the media.

The statement says that the five people who were publicly recognized as members of Marxist terrorist organizations might have been involved in various crimes, and that this is why they went underground, like the Mendoza Vargas brothers, who faked their own kidnapping in order to avoid justice. The statement adds that the threats against Cardinal Silva were a farce because this action benefited some sectors of the opposition more than any anti-Marxist group. The statement goes on to say that the threats are clearly aimed at covering up the harmful effects of the left, such as the case of the controversial comments by Cardinal Silva in Europe.

ACHA says it makes this declaration in a very responsible manner and calls on government officials to undertake a thorough investigation of these cases in order to learn the truth and to show the people who is really responsible for the crimes perpetrated under the name of ACHA. The statement says there is no real evidence that any of the former ACHA members were involved in the actions they allegedly perpetrated.

Briefs

Trade Surplus

The Central Bank has officially announced that during 1987 the Chilean balance of payments recorded a surplus of $45 million, that exports grew by 24.4 percent, imports by 28.8 percent, and that international reserves closed at $1,871,000,000. [Summary] *[Santiago LA SEGUNDA in Spanish 8 Feb 88 p 11 PY]*

Colombia

President Barco Comments on October Referendum

PA221233 Bogota Inravision Television Cadena 1 in Spanish 0146 GMT 21 Feb 88

[Speech by President Virgilio Barco at Narino House ceremony on national referendum in Bogota—live]

[Text] Dr Misael Pastrana Borrero, former Colombian president; Dr Alberto Santofimio Botero, president of the Liberal Party [PL] National Directorate; members of the PL Directorate; members of the Social Conservative Party [PSC] National Directorate; Dr Luis Carlos Galan Sarmiento, director of New Liberalism; Dr Bernardo Jaramillo, director of the Patriotic Union [UP]; Messrs Ministers; and President of the State Council:

The important political agreement we signed today marks the beginning of a new phase in Colombia's history. It clearly paves the way to undertaking as soon as possible the institutional reforms the Colombian people demand. It also consolidates the atmosphere of national harmony necessary to continue carrying out the social changes that will lead the country toward reconciliation, progress, and justice.

The specific topics of the reforms will be studied by a special commission I will appoint next week, which will begin its work before 13 March. The government has already suggested some areas of interest and will continue making proposals. This agreement shows that the government-opposition party system is not incompatible with a broad consensus on both fundamental issues and routine matters.

Thanks to the constructive attitude of the political parties and the various social forces, the virtues of truly democratic participation have been made clear. We have transformed a phase of conflict into a new consensus, an unprecedented consensus with a higher and more dignified content based on common political views and enriched by the frank exchange of different ideas. The significance of this agreement is even greater because it formalizes the serious desire of the government, the PL, and the PSC to permit the sovereign people to reassume the inalienable power they exercise in a democracy.

The 13 March elections are like a plebiscite because they will determine the size of the representation of the various political forces in the commission for institutional readjustment which, elected by Congress from lists drawn up by the president of the Republic, will prepare the text of the institutional reforms that the sovereign people will approve or reject in the 9 October referendum.

The popular consultation in October, the popular election of the mayors, and the government-opposition party system are a radical change in our political customs. Our democracy has been broadened and updated. Three weeks ago, when I proposed the calling of a popular consultation, I was proposing to the nation a very clear choice: continue with institutional stagnation or seek new horizons; exercise the ability to make decisions on new alternatives or continue being sidelined without the possibility of expressing opinions and directly participating in making great decisions; remain tied to the past or actively participate in the construction of a better future.

You, former President Misael Pastrana Borrero, have contributed to choosing the correct answer. Your decision, inspired by the noble desire to serve Colombia, is an act of generosity and patriotism. In this way, the PSC shows that its sight is directed toward the highest national interests.

In the government, we pointed out the correct path and insisted on its advisability thanks to the support of the PL, New Liberalism, the UP, the workers in the various organizations, and other social forces that represent a significant sector of the public. All of them, along with the PSC, are on the front line of this national crusade.

I called for strong unity based on objectives. The popular consultation to respond to the people's demands for a modern and efficient state is one of the objectives. It is one of the objectives not only because I was convinced that the people would support it but because I considered it beneficial to the nation. Colombia needs popular consultation; in other words, a referendum or a plebiscite to adopt the essential reforms. It needs it to open a new path of hope.

We all know that the country must change. I was elected to build a new Colombia. I represent the aspirations of those who had lost faith. I have not disappointed you. Through the government, I began a program of political and social change; however, I also found all types of senseless obstacles in the government that prevented speedy changes and blocked the path to progress, peace, and justice.

This is why I decided to ask for the people's help. I want the people to open that new path of hope so the institutional reforms would not be frustrated by inertia or vested interests. With the people's help, I want to do what the people expect and what all of us know the

country needs, which is a popular consultation to successfully face the problems our democracy is suffering: inefficiency, the crisis in the administration of justice, the decline of the institutions' legitimacy, the lack of citizens' participation, and the shortcomings in the representative system.

Our democracy is inefficient. Democracy was created to benefit the people, but poverty is rampant among us. In a democracy, everyone is equal before the law, but Colombia is a country of priviliges and inequalities. Democracy was established to achieve peace, but criminals, terrorists, guerrillas, and drug traffickers disrespect human rights and disrupt public order. Democracy seeks to guarantee freedom, but there is still intolerance of others' ideas, some distrust of pluralism, and some suspicion about the free competition of alternate political programs.

The inefficiency of our democracy, which is the result of its imperfections and defects, can only be cured with one formula: more democracy, more popular participation.

Our democratic institutions have been losing legitimacy. The faith in judges has been eroded; the credibility of Congress has decreased. The people have lost hope about public administration. Few believe that the watchdog institutions are truly watching over the functioning of the state.

With the popular consultation, the time has come to return legitimacy to the actions of the state and its institutions. The people participate little in our democracy. Perhaps it is because they feel their vote does not count as much as it should in decisionmaking. Perhaps it is because they know they do not have sufficient appropriate channels to express their opinion. Perhaps it is because they think the state is something remote and inaccessible and will not respond to their most pressing needs.

The time has come for the people to directly and actively participate in the decisions that most affect and interest them. Let each individual represent his legitimate interests through the popular consultation. This has been accepted in a large number of democratic countries.

With the popular consultation, the needs of the great majority of the Colombians will be respected and taken into account. It will reduce the excessive power of some interests more concerned about their own benefit than the common good.

We have a big task ahead, which is why, in the face of the challenge, our spirit should be even stronger and our imagination should take advantage of the new opportunity to design innovative but pragmatic institutional forms, as was done in 1957. Our great responsibility also demands wisdom and daring, serenity and integrity, restraint and generosity.

In October 1988, we have the obligation of presenting to the Colombian people some proposals for reforms that will correspond to national expectations. If we do not so, we will be called to account. This is how it should be in a democracy. This is how it is in the new Colombia we are building for the benefit of each and every Colombian. Thank you very much. [applause]

Rebel Forces Kill Ranking Army Commander

PA230211 Bogota Emisoras Caracol Network in Spanish 1215 GMT 18 Feb 88

[Text] The commander of the Junin Battalion and two soldiers are dead and four noncommissioned officers and two soldiers wounded, some seriously, as a result of a rebel ambush in which, for the first time in the nation's history of insurgency, a ranking officer was killed.

According to preliminary reports, the attack was allegedly perpetrated by subversives from the Francisco Garnica front of the outlawed EPL [Popular Liberation Army]. The attack, carried out with bombs, machine guns, and rifles, took place shortly before 1900 on Wednesday in La Ye on the highway between Monteria and Valencia, near (Alto Sinu) on the border between Cordoba and Antioquia.

It has been confirmed that during the ambush Lieutenant Colonel Jaime Gerardo Diaz Lopez, commander of the Junin Battalion stationed in Monteria, was killed. Two unidentified soldiers were also killed in the clash. It has also been reported that six other soldiers from the same battalion, including four noncommissioned officers, were wounded, some seriously.

The report also stated that during the ambush several rebels were killed. This is the first time a ranking officer of the regular Army was killed by rebels. At the beginning of this year in Bucaramanga, the Army's 2d Division chief of intelligence was ambushed in the capital of Santander. Fortunately, he emerged from the attack unharmed. At this moment troops from the 11th Brigade are pursuing the subversives by land and air.

14 Killed, 15 Wounded by 'Hooded Men' in Meta

PA221459 Bogota Emisoras Caracol Network in Spanish 1215 GMT 22 Feb 88

[Excerpt] Villavicencio—A total of 14 people were killed and 15 wounded in a massacre carried out by approximately 25 hooded individuals inside a cockfight arena in Pinalito, Vista Hermosa municipality, Meta Department. About 60 people were watching a cockfight when the hooded individuals arrived and, calling each of the victims by name, opened fire on them with machineguns. The cockfight arena is known as La Pinalera. [passage omitted]

Paraguay

PLRA Leader Laino Views Opposition Prospects

PM221634 Barcelona LA VANGUARDIA in Spanish 15 Feb 88 p 6

[Interview with Domingo Laino, leader of the Authentic Radical Liberal Party, PLRA, by Santiago Palacios—date, place not given]

[Excerpt] Asuncion—[Passage omitted] [Palacios] How would you describe Washington's attitude toward Paraguay's political situation?

[Laino] Paraguay is a small, poor country with a large population and very strong ties of dependency. Hence the importance to us of the international community. I want to stress the new attitude on the part of the EEC and especially Germany and Spain, with the PSOE [Spanish Socialist Workers Party]. For its part, the United States is giving very clear signs of distancing itself from the dictatorship. Some days ago I was with the Robert Gelbard, assistant secretary of state for South American affairs, who said that our relations are not good and that there are problems, especially in connection with drug trafficking. For his part, Elliott Abrams said that the elections are not prompting much enthusiasm and described the Paraguayan Government as a "dictatorship," which is something unprecedented in the history of our bilateral relations.

[Palacios] Are there any specific charges against government officials in connection with drug trafficking?

[Laino] Abrams said a month ago that the Paraguayan Government lacks the political will to combat drug trafficking and is not punishing Paraguayan officials involved.

[Palacios] How would you describe the kind of international support that the Paraguayan opposition needs?

[Laino] We have explained to Washington the substantial difference between the contras, for instance, and the Paraguayan opposition. We are not asking for weapons, because our struggle is one of active nonviolence, and we do not want money either, because it is morally unacceptable. All we are asking for is an end to the support of the dictatorship.

[Palacios] What is the influence of the democratic circle surrounding Paraguay in Latin America?

[Laino] I regard the support for the constitutional state within Argentine society as extremely important. It is also aiding an evolution in Uruguay where, despite Sanguinetti's accession to power while Ferreira was in prison and Liber outlawed, progress has been made and we can say that people live in complete democracy. In Brazil, too, the military has yielded and Sarney is now the first civilian president for a long time.

[Palacios] Do you not believe that this transition process is proceeding much more slowly in Paraguay?

[Laino] It is true, but you must bear in mind that the Philippines established its own model, Haiti another, and Argentina yet another. Now it is Paraguay's turn to find its own identity. Here there will be a unique solution that will not even be like Argentina's. Perhaps it will be similar to Uruguay's, which is the result of contacts between the opposition political leadership and members of the Armed Forces.

[Palacios] Are there any contacts between oppositionists and the military here?

[Laino] No such rapprochement is taking place now. Since the beginning of the year approximately 500 comrades have been imprisoned. I have been harassed, I have had documents seized, and my telephone has been cut off. We are experiencing very tough repression. The dictator is clearly very frightened. His political support has diminished and he has to resort to such methods to sustain himself. There can be no rapprochement under such conditions. However, I believe that the church's commitment and the opposition's unity will force him to accept it. Not everyone in the Army is involved in smuggling or illegal business and there are decent sectors that acknowledge the situation and realize that Stroessner is finished. Believe me, his end is near and unavoidable.

[Palacios] Could this be Stroessner's last reelection?

[Laino] I believe Stroessner will leave Paraguayan politics in 1988. The opposition has made considerable progress: Partisanism and splittism has been abandoned in order to build a National Coordinating Board to unite the political and social movements. There is also a committed Catholic Church, which means a great deal. There are two institutions that must be taken into account with a view to any peaceful transition—the church and the Armed Forces. The church has pledged itself to the democratic movement.

[Palacios] Does it now definitely support the opposition?

[Laino] The church's action has always fluctuated, as is the case with such institutions in many countries. In Paraguay there have always been bishops who have protected the dictator and others who have challenged him. Now, however, the majority of them, via the episcopal conference and its great chairman, Msgr Rolon, are committed to democracy and the underprivileged.

[Palacios] You said there are two sectors. You have mentioned the church, but what about the Armed Forces? Some say that Stroessner will be succeeded soon by his son, Lieutenant Colonel Gustavo Stroessner....

[Laino] We consider this a somewhat unrealistic plan. Stroessner needs to use every fraudulent mechanism at his disposal to sustain himself. In the previous seven elections he had the entire Colorado Party united behind him. Now less than 50 percent of the party support him. The "traditionalists" (the official group that broke away last year) enjoy popular support, are distancing themselves from the tyrant, and are joining the democratic movement. This has weakened him greatly.

[Palacios] Why has the opposition been unable to build a democratic alternative to the regime with a view to this election, through the national pact promoted by the church?

[Laino] The national pact was very successful in 1979 and achieved fairly good results in bringing the party leaderships closer together. The blueprint failed to attract the people's masses, however. Its rallies were never attended by more than 5,000 people, whereas my party, the Authentic Radical Liberal Party, managed to rally 40,000 people, defying the terror. Now, however, other movements, such as the breakaway group from the Colorado Party and the social movements, are supporting the National Coordinating Board's proposal.

[Palacios] Is the drain from the Colorado Party not essential as a stimulus to a transition?

[Laino] The Colorado Party is a strong traditional people's party but in my opinion it is second to the Authentic Radical Liberal Party, especially if Paraguayans abroad could vote, since 80 percent of them support my party. If there were an electoral law like Spain's and Paraguayans abroad could vote, we would certainly win. I acknowledge, however, that the Colorado Party's involvement is important with a view to achieving a fundamental agreement on a transition between liberals and "Colorados." There are also the Christian Democratic Party and the Febrerista Revolutionary Party.

Peru

Garcia Speech Commemorates APRA Party Founder

PA221500 Lima Television Peruana in Spanish 0302 GMT 20 Feb 88

[Speech by President Alan Garcia at ceremony commemorating the birth of Raul Haya de la Torre, founder of APRA at Alfonso Ugarte Avenue in Lima—live]

[Excerpts] On this day of commemoration, APRA followers are here, despite difficulties and crime, to say they remain firm in their commitment to Haya de la Torre, and they remain firm in their commitment with Peru to make a democratic revolution that will turn us into a land of bread and liberty. [applause] Here, here with faith and firmness, we recognize the difficulties. We will face up to them and will overcome them with the Peruvian people in order to consolidate Peru's democratic revolution. [applause]

It is worth considering in the intimacy of this meeting, what this thing called fraternty is for all APRA followers. Why is it we can invoke our dead? Why is it we can meet under the spell of Haya de la Torres' name? Why is it we remain firm and loyal, strong and united? Because our party is a historic cause; because our party is a cause that has reflected the cries of the people for a long time; because our party is not just a declaration of doctrines or a proposal but also human warmth based on brotherhood, fraternity, and identification. What others who seek the national budget lack, what others—the circle of friends—lack, we APRA followers have. We have our fraternity as a treasure or as a secret that does not abandon us. We learned to share the good and sad because we learned to shared dramatic events; because we grew during hard times; because we grew in the dramatic events of the struggle; because we grew in action and clashes; because we grew in solidarity; sharing hard exile and jail, we became brothers. We are learning from each other and always finding ourselves as brothers. That is what our adversaries do not understand. They always wonder: What unites APRA followers? Fraternity unites us. The long history we have lived and shared joins us, because we learned solidarity with each other.

Today is the day of fraternity. Our dream is that someday Peru will be a country of fraternity. Our dream is that someday our fatherland will be a Peru of fraternity so all Peruvians are the way all of APRA followers are with each other: brothers sharing good and bad; brothers sharing sadness and joy; brothers to continue together on the path toward building something different. [applause] [passage omitted]

Fraternity is union. Those who share this view, those who are in solidarity, get together in a firm and vital manner. Fraternity is union, and that is our message to Peru. We APRA followers meeting here are not content with feeling a spirit of fraternity. We want total and full fraternity in Peru. We want Peru to be a land and a fatherland. Our message was: fraternity and union. That means union of all Peruvians, union to change the fatherland, union to change it, and union to overcome obstacles. People who feel they are facing adversity are the only ones who unite.

Our message was an offer of unity, of commitment, and the ability to share. Our message was the commitment of APRA followers to serve the fatherland. Tonight in this night of our fraternity, I come to utter that message to the entire country. I said 3 years ago we must unite in the face of adversity. After so many mistakes, and in response to so many and such serious problems, Peruvians must firmly unite. In response to the terrorism that bleeds us and comes from so far; in response to the economic crisis, which is the bill handed down to us by history for 160 years of poor economic and social structuring; in response to the lack of hope that existed, Peruvians should have and still must unite to offer Peru a shoulder to lean on.

That is the fraternity and union we again wave as a banner and an offer to the fatherland. I see fleeting hope sometimes later turns into weakness. Immediate expectations sometimes quickly turn into disappointment. With our doctrine, we have wanted to reach our people to understand what our history is. We want to understand what the long process in which we have created ourselves is. We want to understand the long road we must walk together and united to solve problems.

Tonight, I came to say as president of Peru and party leader that we still have ways to learn to understand that we have to teach each other what the long road is. I have seen people coming forward in times of victory but quickly lose hope. When the first problem appears, they move away. I have seen people believing that the flush of victory was everything. In 2 and 1/2 years, I have seen them crushed by the first attack or insult. We must give signs of having psychological and emotional integrity. We are not seeking a passing victory but a long historical responsibility. That is why I am addressing all Peruvians. [passage omitted]

Sometimes I hear complaints as if it were forgotten that we have advanced in several fields and have overcome problems. [passage omitted]

In the 5 years of the past government, the economic growth, national production growth averaged zero percent. In 1980, Peru produced the same as in 1985. In 1986, we grew 8.5 percent. That means work and consumption. Can someone justly say that Peru continues the same or is regressing? I can understand very well that the bankers and the powerful who feel threatened will say everything is lost. I can understand very well that those who do not want to support the historic destiny of Peru and its salvation will say we are regressing. But after a period of total economic paralysis, the fact we have grown more than any other Latin American country is an important advance we cannot forget. I come to tell my fellow APRA members that you should take these words and data to wherever there is anguish and doubt. Tell them what occurred in the 5 years of the previous government. Tell them what we are doing and what we can continue doing. [passage omitted]

Proof of our economic growth exists. Regarding the foreign debt payment, when we said 2 and 1/2 years ago we would only pay 10 percent, many applauded this decision, but not paying the debt means not having other credits. Not paying the debt means not obeying the IMF and its formulas. However, it also means not having the aid of other institutions and submitting to their conditions. There was heavy applause when Peru became independent concerning the debt, but when the difficult moments come, many forget about their applause. We have maintained within the country the resources in dollars and in foreign exchange; we have not handed them over to foreign banks, which is why we have been able to grow 8.5 percent or 7 percent and have sufficient foreign exchange to continue to grow.

However, we have had to increase the price of the dollar for luxury products. We have had to increase the price of the dollar for machinery not urgently needed, and many voices have said: What an enormous devaluation! Do they not remember that in the 5 years of the previous government, the value of the dollar went from 290 soles to 12,000 soles, and the Peruvian currency was devalued 40 times? Can someone deny that compared to those 40 devaluations of the sol, we have only devalued our currency 4 times? Can someone say the country is affected by the same devaluation process that affected it in the previous 5 years? I do not want any reward. I only want the people's recognition and confidence about these actions in order to tell them that just as we have begun, we can continue working in the future. [applause]

I have heard so much criticism and voices ever since we decided to take a decisive step for equality and for the transformation of Peru in the banking area. I hear so many insults and figures that I feel I must respond to my friends and show how Peru has grown and how the devaluation has been 10 times less than the 40 devaluations in the past. Do they not have any memory when they talk about inflation and when in all the newspapers they tell us without compassion that the prices continue to rise? Are not there newspaper files to show the experiences of the past? Have we forgotten, or is it thought that the people suffer from amnesia and we are going to believe again in the stories and fall into the clutches of those who misgoverned us? [applause; chanting]

I want you to hear some very simple figures because it is easy to sell anguish through news reports and statements; we are used to comparing yesterday with today, but not the past 2 and 1/2 years with the previous 5 years. Why do we not compare them? For example, why do we not say that if we total all the inflation of the 5 years of the previous government, it equaled 3,584 percent? In other words, what cost 1,000 soles in 1980, cost 3,600 soles in 1985 [figures as heard]. In our 2 and 1/2 years in office, which is half of those 5 years, our inflation is 400 percent, almost a 10th of that previous figure. [passage omitted]

We have another specific case regarding sugar. I am very firm when a minister tells me cooperative members are demanding a sugar price rise because there are 300,000 persons who work in the industry. But I compare this with the former government, when the price of sugar was hiked 40 times from 68 soles to 2,800 soles. In 1980, the price of sugar was 68 soles; in 1985, it cost 2,800 soles. It increased 40 times. It is true that now it costs 15,000 soles, but it has only increased 4 times; and we have to consider the speed of rapidly rising prices if we are to compare how our country was governed and if it were true that we are going backward, as is frequently unjustly charged.

When I hear businessmen complain in terror because APRA decided to nationalize the banks to place it at the service of the people and not the comptroller of four

powerful economic groups, I wonder about those businessmen who were also victims of the former policy. Thousands of businesses went bankrupt. They had to endure 250-percent interest rates, with debts in dollars. When we reached power, we lowered interest from 250 to 40 percent. When we reached power, we converted the debt in dollars and kept the dollar unchanged for 2 years. [passage omitted]

I also have the right to defend the government. It is good they tell us our errors. It is very good they tell us if an enterprise is not being administered well, such as SIDERPERU [Peruvian State Iron and Steel Enterprise]. It is very good they tell us the organization of the social security institute is not faring well. We agree. It is not doing well at all; we have to change it; we have to moralize it; we have to overcome the problems. [applause and cheers]

To do justice, there should be recognition of how much Peru has progressed. There should be recognition of the economic growth in agriculture, the industrial field, and the manufacturing industry. There should be recognition of the slowing of price increases. There should be recognition of that. We cannot come and halt the prices or halt devaluation. We are a progressive country that must exert control gradually, responsibly. Since it is a long process, why do they demand we accomplish in 1 year what those who governed Peru by the power of their wealth did not do in 170 years? Why so much injustice with the party of the people? Why so much selfishness? Let us recognize that we have done something. We have made mistakes —but they have been mistakes for the people—as was well put by a leader of our party: errors of the left, not reactionary or unpopular errors.

People must also admit what is true, what can be confirmed with figures and evidence, because that is the only way we will hold a fair dialogue with those who make so many demands.

I came here to tell you without vanity or arrogance, but with the vehemence of our claim for justice and objectiveness, that we are advancing little by little. Do not be frightened; do not be intimidated. We are living difficult times, but we are advancing and will continue. We do not need the powerful or the 12 apostles to advance. We need the people, their trust, their firmness, their will, their faith, and their votes. [applause]

I wonder why there was a time when there was less bad news. There was a time when I myself thought things were going well. We had not yet seized the banks for the people then. We had not yet nationalized the financial system in a democratic and public discussion. They thought we would stop paying the foreign debt to pay the internal debt to the powerful ones. They thought we made Peru grow to increase their power and wealth. They did not know our 60-year commitment is with the needy, the needy majorities, the poor, and the workers. [applause]

Therefore, after making that decision—after they realized this was a peoples government ready to hold power democratically with a parliament, freedom of press, from square to square, including peoples dialogues around Lima and throughout Peru, and including beautiful rallies to explain the cause of the bank nationalization—they discovered that everything was wrong. Increasingly serious and harsh aggressions began. After that, everything was negative. They tried to frighten the middle class and the business sector, to make them forget how much they had progressed and invested and how much their new market had increased for the benefit of the Peruvian people.

Everything changed after 28 July 1987. The coin was turned over and everything was different. White turned to black. The good became bad. Everything was opposed. Everything was wrong. I know there are many bad things; I want to see those things. However, I also know not everything can change overnight.

All this happened because we dared doing what must be done in the name of social justice; because we dared saying Peru's historic development is not only growth but social justice and redistribution; because we dared touching the power of the powerful sectors. No one is more powerful than the Peruvian people. No one is more powerful than the needy sector. No one is more powerful than the honest people, the handicapped children, the working mother, or Peru, which wants to build its social justice and transformation. [applause]

We knew what we would have to face after making that step. We knew the way our middle class was going to be frightened. Many told me: We should not take that step; they will be frightened, and businessmen will be terrified; many people will be deceived. I told them: We lifted the flag of democracy, a democracy that includes full and absolute freedom of press, dialogue, and elections; parliament; labor unions; the right to dissent and hold opinions; political freedom and freedom of assembly; elections; and freedom of thought. It is a democracy of and for the people, which includes justice and distribution. We want to share our country in a better way so we are united in brotherhood. What brotherhood could APRA members talk about if we did not promote a better distribution of the homeland among all Peruvians and a true sharing of Peru by preventing small groups from taking away our homeland in large pieces and obtaining capital from it to benefit only themselves.

We had to make a revolutionary step, because we are revolutionary, but in a democratic sense. We are revolutionary, because we respect individuals, thought, and freedom. There is no democracy; there is no socialism without freedom. [passage omitted]

It is true prices are increasing. It is true credit is not available worldwide, neither for us who do not pay the debt nor for those who pay the debt and become poorer

and subject themselves to the international organizations' conditions. It is true there are problems, but we have a concept whereby we can prevent the world crisis' affecting our country as it has affected and continues affecting other countries.

That is why I have asked for a comparison of the statistics of the previous administration with half of this administration. In that same manner, I can justly ask for a comparison of the reality of our country with the reality of other countries. Without mentioning their names, we can say there are countries that grow 2 or 3 percent, the same as their population; and they continue stagnant. However, we have managed to grow much more. This growth calls for us to be prudent and wise. Not everything can be successful and easy. We also need to be wise in managing the foreign currency and guiding the growth.

I am here to tell you in the light of a doctrine and in view of the world crisis that we know where we are going and for whom we are ruling. I am here to tell you we primarily will continue defending Peru's economic sovereignty. There will be no letter of intent, no monetary fund, or surrendering our government as a colony. We will not submit to any world organization; we only submit to the will of the Peruvian people. [applause]

Our first obligation is to defend national sovereignty. Economic matters were previously turned over to the orders and advice of the world organizations, which is why a 3,580-percent inflation rate was left to us, why our currency was devalued 40 times, and why investments are declining 10 percent every year and unemployment is growing. We said: Whatever the cost, we must try our own system, because that is what APRA is all about. We must try national and Latin American ways.

We said we would not pay the debt because it is unjust and we cannot sacrifice Peru. What would have happened, companeros, if 2 and 1/2 years ago we would have paid the debt as demanded? What would have happened if we had continued acting like IMF lackeys?

We should not forget the statistics of the previous administration reflected a trend of deterioration of the situation even further. If there was 3,500-percent inflation and had we continued with the same path, then today we would have an inflation rate of 7,000 or 8,000 percent. That is the truth. We then decided to take the path of national sovereignty, with our own mistakes, but it is the path of our Peruvian and democratic economy of our people. We will maintain it.

I am here to tell you that we can grow, that we can do it, without any need for yielding to international organizations. We do have our own resources for development. [passage omitted]

The fifth point promoted by our doctrine is decentralization. In the midst of headlines and news, we forget we have initiated the most deeply revolutionary process in Peru's history: the regionalization of our homeland, the creation of regions with governments elected by the people, the creation of autonomous institutions through which the people can manage and control the homeland's wealth, keeping it within the region to make it more prosperous. The chapter of centralization will gradually be left behind. The chapter wherein national history was made in Lima will be surpassed with the regionalization we have started. Our parliament has already approved the bills presented, and in a few days we will sign into law the creation of the first autonomous region that will handle all services and all productive activities. [passage omitted]

I have said that scandals, waste, and corruption in public enterprises exist and must be eradicated. I have seen labor organizations march with posters bearing the names of the enterprises they work for, and I tell them: Comrades, I want to see you working instead of marching; I want to see you bringing good morals to your enterprises; I want to see you dedicated to your work. [applause]

Comrades, compatriots, tonight's message is a message of fraternity for all of Peru; it is a message of unity. I know there are many other political parties, parties leaning to the left [as heard] of APRA, that group themselves in what we call the conservative sector. We respect them all, because ours is a democratic and respectful voice. We do not speak with hatred. We do not respond with acrimony. We only request objectivity and justice. Criticism must and should exist, but the good, although little, must be recognized, because governments also need encouragement.

I tell you all parties have APRA's fraternity. Tonight, we send our message of unity to all political movements. I am sure we will not agree on the big issues. APRA believes in democracy and the revolution. It will be very difficult for all political movements to agree. However, we can have common actions and plans for which Peru needs continuity.

I ask APRA and its national Executive Committee to call for a meeting of political parties, because we cannot let Peru go adrift without forseeing what will happen in the future. Despite our political differences and struggles, there are some topics on which we can agree. In Camisea, north of Cusco, almost in Madre de Dios and (Lucayali), we have Peru's most important energy reserve. Some say it is worth $25 billion. The largest deposits of Peruvian wealth is the gas in Camiscea, which was discovered by Shell. How will we turn it into a productive source? The construction of a gas pipeline will take many years. We need to agree on that. I am not asking the Popular Action

Party, the Popular Christian Party [PPC], the United Left, and all its parties to agree with us; I only ask them to agree on those topics for which responsibility and continuity is needed.

What should our energy policy be from now until the year 2000? This is what our party needs to discuss with other political movements. Why not have a meeting of technicians of the Popular Action Party, the PPC, the United Left, and APRA? Why not decide together what to do with that gas, which is the Peruvian people's largest deposit of wealth and one we cannot waste or leave aside because of our struggles. Why not agree on our energy policy right now? I will sign, respect, and fulfill any agreements reached by my APRA comrades and the technicians of other parties. I hope future governments will also fulfill them to the benefit of the people and the future of Peru. [applause]

In this night of fraternity, unity, and convocation I call on all political forces. I am speaking as the president of this vigorous and populous movement founded by Haya de la Torre. I believe this movement should get technically closer to other political forces to discuss future problems.

I ask APRA to begin convoking other political parties to a national technicians' meeting. Those technicians will tell us what to do about population and demographic policies in the next 10 years. We would all respect these policies as a national goal. We must convoke a meeting of technicians so they will tell us how to descentralize and divide Peru into regions. We will respect all those agreements for a long time. We must convoke a meeting of technicians who will firmly tell us what measures to use against terrorism so all, all political parties commit their actions and principles in defense of democracy. [passage omitted]

Here we are firm, strong, united, clean, and willing to continue APRA's revolutionary mission. [applause] We are here with our dead, and we are proud of them. We are here with Rodrigo Franco, Cesar Lopez, (Yangali), Ortega, and all of them, dozens, hundreds of deaths. Enemies' and rebels' hands have killed others recently. Others were killed many years ago.

We are here to reiterate APRA's historic message: unity and fraternity. We are here to reiterate our will to make as few mistakes as possible. We are here to reiterate our democratic and fraternal vocation. Comrades and compatriots, we are here to reiterate our faith, unity, discipline, and action. Here are the APRA activists. I ask them to respect our movement's discipline and moral. Let us not forget that the path for our party's organization was built by great APRA members, including its great founder, Victor Raul Haya de la Torre; and its builder, Ramiro, our dear brother, Ramiro from Mantaro. [passage omitted]

Long live APRA [crowd shouts viva]. Long live APRA, its struggle, its pain, its victories [crowd shouts viva]. Long live Peru [crowd shouts viva]. [applause]

Police Kill 4 Alleged Shining Path Members

PA222154 Madrid EFE in Spanish 1650 GMT 16 Feb 88

[Text] Lima, 16 Feb (EFE)—Four alleged members of the Shining Path, a Maoist guerrilla group, were killed in clashes with police in Ayacucho Department and in Peru's central mountain range, it was reported here today. According to reports released today, civil guardsmen yesterday repelled a Shining Path attack in Carhuanca, 220 km south of Ayacucho. Three Shining Path guerrillas were killed and two wounded in the clash.

In the central mountain range, the Shining Path yesterday derailed a train loaded with minerals traveling from Cerro de Pasco, capital of Pasco Department, to Oroya, it was reported in Lima today. National guardsmen escorting the train shot at two persons fleeing from the scene who disregarded an order to stop. One of them was killed. Among the dead suspect's belongings were subversive literature and instructions on how to place explosive charges, the police said. This is the second attack against a train carrying minerals in the last 10 days in the Pasco mining zone. Several attacks have occurred, especially on the installations of Centromin Peru, the former Cerro de Pasco Corporation, a U.S. company expropriated by the former military government.

A guardsman was injured in the attacks, which left huge losses. The most serious attacks were on waterworks in Cerro de Pasco last weekend, which left 70 percent of the area's residents without water.

Venezuela

Government To Pay $3.4 Billion on Public Debt

PA222342 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 18 Feb 88

[Text] Venezuela will repay $3.4 billion this year in principal and interest on the public debt. This includes refinanced debts. This announcement was made by Finance Minister Hector Hurtado, who pointed out that foreign exchange income will increase due to increased nontraditional exports.

Hurtado met with journalists to express his view on the distribution of foreign exchange to importers. He said these industries received adequate amounts of dollars because it is necessary for them to grow to increase exports. Hurtado stated that the distribution was made fairly, because national interests are primary.

As for the uncertainty of oil prices, he noted that efforts are being made to obtain foreign currency by other means. For this reason, it is important to maintain the flow of imported goods, which will lead to more exports being produced, he said.

[Begin Hurtado recording] Although the oil situation is not what we would like it to be, it will permit us this year to maintain a flow of imports that will make possible a moderate increase in our gross product and that will increase our exports. [end recording]

Venezuela's responsibility to repay its foreign debt makes the country more attractive to foreign investment, according to Martin Lynch, representative of a large British financial firm. Lynch believes Venezuela's debt bonds can be sold in the EEC without difficulty. He added that Inter-American Development Bank reports and studies by consulting firms agree that the current administration's policies for solving the crisis have improved the situation.

Guyana

Newspapers React to U.S. Human Rights Report

FL221845 Bridgetown CANA in English 1659 GMT 22 Feb 88

[Text] Georgetown, Guyana, Feb 22, CANA—The U.S. State Department's human rights report on Guyana for 1987 has been greeted by predictably mixed reaction here, with the official CHRONICLE newspaper describing it as generally favourable, though inaccurate and misleading in parts, and the CATHOLIC STANDARD newspaper denouncing it as watered down...frequently tendentious and grossly unbalanced.

The CHRONICLE newspaper which usually reflects the views of the Guyana Government, devoted its editorials both Saturday and Sunday to comment on the report.

It acknowledged on Saturday that many might regard the U.S. as chauvinistic and self-serving to pass human rights judgement on other countries, but stressed that the report is significant because it will influence the way the U.S. Congress views diplomatic relations with Guyana. But the CHRONICLE added: Nevertheless, we cannot escape the uncomfortable feeling that these reports are composed from a position of arrogance and that they imply a conviction in the authors that somehow or other the U.S. is holier than the rest of the world.

The newspaper criticised that part of the report which suggested that race was still an issue in Guyanese politics, declaring: One gets the impression...that Guyana is still slowly and uneasily emerging from the racial tensions that so grievously harmed the country in the 1960's. Nothing is, of course, further from the truth. The CHRONICLE said that Guyana was no longer troubled by racial strife. Guyana has, in fact, left those stormy, terrible days far behind. The events that disturbed that period are seldom mentioned in ordinary conversation by people anywhere, a sure sign that those events have been largely forgotten, the CHRONICLE said.

It also took issue with the State Department's references to the appointment of Indo-Guyanese to ministerial positions, claiming that the report suggested that this was a recent development undertaken as some sort of concession to a particular ethnic group. In fact, as everyone knows such appointments were made years ago by the founder-leader (late President Forbes Burnham) and are now well-established practice which does not stir interest, or attract open and widespread comment, the CHRONICLE added.

The CATHOLIC STANDARD newspaper, the organ of the Roman Catholic Church here, and a frequent and often forceful critic of government, had little in the way of praise for the report. Much of the report, reads as if it were written for another time, and for another country, so watered down it is, the STANDARD declared. ...It is essential to remember that these reports are a barometer of the U.S. Administration's relations with a particular government, the STANDARD added.

The STANDARD condemned the report as being frequently tendentious and grossly imbalanced. The tendentiousness consists in presenting a few facts which are in themselves true, but point to the wrong direction. The CATHOLIC STANDARD contended further that the State Department was guilty of tendentious reporting in its references to issues such as allegations about police brutality and parliamentary approval of the integrity commission report.

Surely tendentious is the statement (in the report) that in the past, government officials sought to use the legal system to harass their opponents through frequent libel suits, but this practice is waning, said the STANDARD. The paper said that one constant feature of the report was that everything vaguely critical of the government was treated as an allegation by the opposition, while positive statements are presented simply as true.

GAWU Ends Sugar Workers' Strike on 19 Feb

FL201812 Bridgetown CANA in English 1638 GMT 19 Feb 88

[Excerpts] Georgetown, Guyana, Feb 19, CANA—A four-week old strike in Guyana's sugar industry ended on Friday, with the Guyana Agricultural and General Workers Union (GAWU) advising its members to return to work on Saturday.

In a statement announcing its decision, the opposition People's Progressive Party (PPP)-linked union said the dispute over payment of an annual production incentive remained but it was confidently looking to a settlement.

GAWU added, however, that if no solution is found to the dispute within a reasonable time, it was confident that sugar workers will not hesitate to take positive united action again.

The union said 14,000 out of the industry's estimated 16,000 workers had responded favourably to the strike call. But the state-owned Guyana Sugar Corporation (Guysuco), while admitting that the strike had affected production, said the strike had been crumbling and that workers had increasingly been returning to work. [passage omitted]

GAWU said it had decided to call off the strike because it was conscious of its responsibilities and concern for the sugar industry and the interest of all workers. It called its decision yet another demonstration of magnanimity.

The statement said the response to the strike was an overwhelming vote of confidence in the correctness of GAWU's action and, at the same time, a crushing defeat and total rejection of Guysuco's high-handedness and propaganda.

Suriname

Brazil Minister Denies Arms Sales to Brunswijk

FL221902 Paramaribo International Service in English 1730 GMT 22 Feb 88

[Text] There has never been any legal transaction concerning the sale of weapons to the so-called jungle commando of Ronnie Brunswjik. This was stated last Friday by Brazil's foreign minister, Roberto de Abreu Sodre, in an interview with the DE WEST newspaper. The minister expressed doubts about the smuggling of weapons to the Brunswijk gang on a small scale, being that a very strict government monitoring system makes this impossible.

In the interview, the foreign minister touched on the cooperation between Brazil and Suriname, saying that it is not at the level it should be. He said this is solely because both Suriname and Brazil are developing countries with social-economic problems. The minister said despite this, Brazil has put a $20-million credit line at Suriname's disposal for small industrial projects and a $60-million credit for expansion and updating of the telecommunications system in this country.

Minister Sodre said a review of the priorities with the present government will be made and (?this) will determine in which way the Brazil-Suriname cooperation will continue.

Purchasing Power Decreases; Inflation Increases

FL181753 Paramaribo International Service in English 1730 GMT 18 Feb 88

[Text] Purchasing power last year decreased by 30 to 50 percent while the Surinamese guilder suffered an inflation rate of at least 50 percent. These figures were produced in a lecture given by Engineer (De Roy) of the planning bureau during a seminar organized by the Progressive Workers Organization.

Based on an economic analysis, Miss (De Roy) pointed out the consequences of the crisis on employment. Last year unemployment was put at 33 percent while the labor supply continues to increase and is estimated at 4,000 annually in the coming period.

According to (De Roy), the current level of production cannot absorb this increase. She said this would require an economic growth of at least 5 percent linked to investments of millions of guilders. She, however, didn't advocate the creation of more jobs, but instead urged increased productivity by the existing labor force.

According to her, the private sector in particular should contribute to the growth of the Surinamese economy.

SNA Presents Editorial Policy to Media Minister

FL221916 Paramaribo International Service in English 1730 GMT 22 Feb 88

[Text] Last Friday, the SURINAME NEWS AGENCY [SNA] presented its editorial policy to Education Minister Ronald Venetiaan, who's also in charge of the media policy. The news agency said its policy is based, among others, on the right of the people to information and the right to express themselves through the media. SNA said it supports international [word indistinct] like peace, democracy, human rights, social progress and justice, and national liberation. The policy is further aimed at combatting cultural imperialism and preservation of Suriname's own cultural values. The minister concluded the meeting with the hope that the news agency will continue to work according to its editorial policy.